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Yanan Talks: Revolutionary Literature & Art



**YUNNAN OPENS
ITS DOOR**



Meeting the bride.
Photo by Shen Yantai



Congratulating the newlyweds.
Photo by Wang Guanmin

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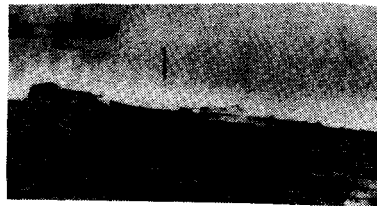
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COVER: The Peacock Dance of the Dai people in Yunnan Province.

Liu Sigong

HIGHLIGHTS OF THE WEEK



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Guidelines for Revolutionary Art

■ Forty-five years ago this month, Mao Zedong delivered two speeches entitled *Talks at the Yanan Forum on Literature and Art*, which later exerted a profound influence on the Chinese revolutionary movement. Today in the new historical period, these talks are still important and remain correct guidelines for the new literature and art. (p. 4).

The Press and Publications

■ In January the State Council decided to establish the State Administration of News and Publications. On May 15, the director and a deputy director of the new administration held a press conference at which they discussed the reasons for the administration's establishment, its tasks, the meaning of consolidation of the publications, and freedom of the press (p. 14).

Battle Against Forest Fire

■ A major forest fire has been raging since May 6 in China's northeastern timber base, killing about 200 people and driving 50,000 from their homes. While the battle against it goes on unabated, a nationwide relief effort is under way (p. 5).

Yunnan Opens to Foreign Businesses

■ In a recent interview with *Beijing Review*, Zhu Kui, deputy governor of China's southwestern Yunnan, described his province's implementation of the open policy and its latest measures to improve the investment climate for foreign business people (p. 17).

DPRK Makes Headway in Agriculture

■ With its successful plan of agricultural modernization, the Democratic People's Republic of Korea has gone from food imports to self sufficiency (p. 11).

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Guidelines for Literature

by Our Special Commentator Chen Danchen*

Forty-five years ago this month, Mao Zedong delivered two seminal speeches to a forum of writers and artists. Entitled *Talks at the Yanan Forum on Literature and Art*, they constitute a classical Marxist work which later exerted profound influence on the Chinese revolutionary literary and artistic movement.

China was then engaged in the war of resistance against Japanese aggression, and Mao called upon promising writers and artists to go among workers, peasants and soldiers and create literary and artistic works which could be loved by the masses. He stressed that the question of "for whom" is fundamental; that it is a question of principle that revolutionary literature and art should serve the broadest section of the people. Mao also expounded on a number of literary and artistic questions dealing with how to serve the masses.

Following the *talks*, large numbers of writers and artists went to villages, factories and army units, where they saw a completely new world. Impressed, they produced a large number of works reflecting the lives, feelings and aspirations of the working people. These works are lively, healthy and full of optimism. Artistically, they drew on folk literature and art, making them fresh, straightforward and true to the Chinese national style.

From then on, the anti-imperialist and anti-feudal May 4th Literary Movement, which began in 1919, took a historic turn and a new-type socialist literature

was born. *The Sun Shines Over the Sanggan River*, a novel by Ding Ling; *White-Haired Girl*, an opera by He Jingzhi and Ding Yi; *Hurricane*, a novel by Zhou Libo (with the peasants' resistance to landlord exploitation and oppression as their main theme); *Wang Gui and Li Xiangxiang*, by Li Ji, a long poem opposing feudal marriage and extolling true love; all are outstanding representative works produced under the influence of the *Yanan Talks*.

Mao Zedong's *expositions on literature and art made 45 years ago still have importance. They remain the correct guidelines for today's literature and art.*

After nationwide liberation in 1949, Chinese literature and art travelled a tortuous course. In the new historical period during the last decade, the open cultural policy has brought new life and vitality to literature and art. The varied and colourful works have been acclaimed at home and abroad. They have also more or less met the people's multifarious needs. Large numbers of new writers and artists have emerged.

Some writers, however, have forgotten their social responsibilities, producing bad and even vulgar works, spreading corrupt ideas, blindly worshipping foreign culture and copying foreign things mechanically. This has been resented and criticized by the masses.

Under the new historical circumstances, how to adhere to



the correct literary and artistic orientation, how to bring about the sound and sturdy development of socialist literature and, in the building of an advanced culture and ethics, how to offer more outstanding and healthy works of art for the people—all remain to be studied and pondered by writers and artists in China today.

It is felt that Mao's expositions on literature and life, literature and the people, the integration of intellectuals with the labouring people, content and form, national cultural heritage, critical inheritance and absorption of foreign culture, and the study of Marxism—all still have their important practical significance. They remain the correct guidelines for the new literature.

Under these circumstances, the Chinese literary and artistic circles are sponsoring activities commemorating the 45th anniversary of the publication of the *Yanan Talks*. It is hoped that in the new historical period, Mao Zedong's thoughts on literature and art will be carried forward and that China's socialist literature and art will develop more healthily. This will again open up a vast new world for Chinese writers and artists and encourage them to plunge themselves into the drive for socialist modernization and social reform and draw on new sources for their literary and artistic creation. People are confidently greeting the new upsurge of literary and artistic creativity.

* The author is deputy chief editor of *Wen Yi Bao* (Literary Gazette)

Man vs Fire — Desperate Fight

The worst forest fire in modern China's history is still raging in the country's far northeast Daxinganling Mountains, which have the richest timber resources in China, gobbling up large tracts of virgin forest, pressing on towards heavily populated residential areas and threatening the lives of hundreds of thousands of firefighters.

When the fire broke out on the afternoon of May 6—almost simultaneously at four spots in China's northernmost Mohe and Tahe forest, Heilongjiang Province—local people rushed in to fight the blaze. Just as it began to die out the next day, a force 8 wind suddenly whipped up. Within an hour the soaring blaze had engulfed Xilinji, a Mohe county town inhabited by more than 10,000 households, and later three nearby railway stations were destroyed. The catastrophe claimed 119 lives in Xilinji, and then swept towards Tahe county with a population of 100,000.

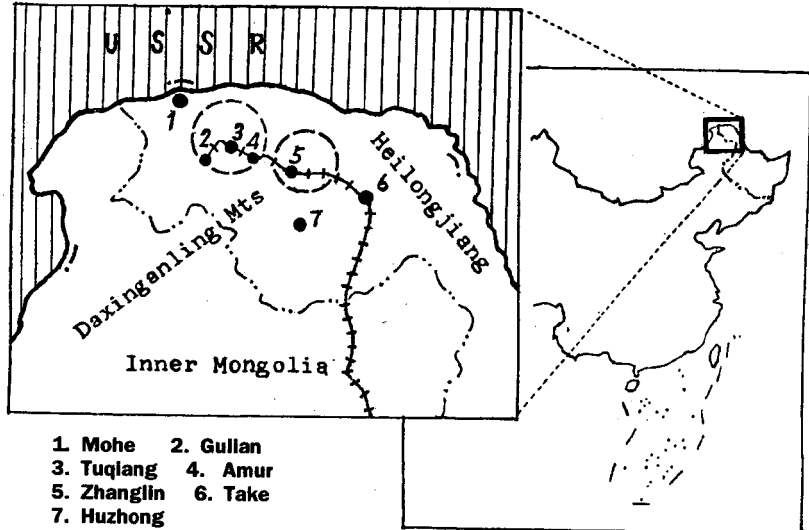
Local firemen, garrison troops and residents were soon organized to meet the emergency. Till

reinforcements arrived on May 10 from neighbouring regions inland, they struggled in fierce thirst, starvation and peril for three days and nights. Witnesses saw some soldiers covering a large oil tank with wet quilts to prevent it from exploding. Trucks laden with women and children provided safe evacuation from the scorching flames, while local officials, hoarse from smoke and exhaustion, coordinated rescue activities.

A middle-aged Muslim, who

insisted on staying in the area with his family, said that he had bought 29 buffaloes just before the fire. Now only four are left. The 20,000 yuan worth of paper money he kept at home is now ashes. A local official said, "We are surviving on the 'roast beef' from his buffaloes. He is so kind that he even killed a live one to feed other hard-hit people."

As soon as the fire was reported to Beijing, the battle became one for the entire country under the



The fire has reduced this mountain of stored timber to ashes.

GUO JIANSHE



concerted effort of the central government. About 40,000 troops moved to the scene of fire. Airfreighters, bombers, and civil planes, flew from Beijing and Shenyang to help. The country's Railway Department ordered its subordinates to give a green light to all reinforcements and relief being shipped to the "front." At the same time, the central meteorological observatory has been keeping a close watch of the local weather, providing detailed satellite meteorological pictures daily to the frontline headquarters.

Tons of canned food, together with tents, windbreakers, medicine and other supplies have been shipped or dropped onto the area. Some 200 medical workers have arrived to take care of the wounded firefighters and evacuees.

The Cultural Palace in Jiagedaqi, Inner Mongolia some 250 kilometres to the south of Tahe County, has been turned into a relief centre, where policemen and young volunteers serve porridge and distribute clothes to victims. Such centres can also be found in

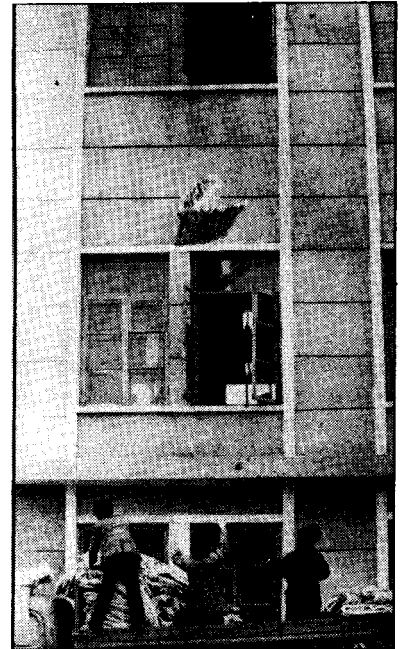
Vice-Premier Li Peng inspecting the disaster area.

ZHANG CHIJIAN



Homeless evacuees queue up for relief food.

GUO JIANSHE



GUO JIANSHE

In the hurry to get the quilts to the victims of the fire: they are thrown out of the window.

other neighbouring cities and counties.

Grave concern and humane sympathy from people around the country have poured into the area. Up to May 16, 4 million yuan and 170,000 items of clothes and bedding had been donated by Heilongjiang citizens alone. Donations from other provinces and cities are mounting.

Yang Wei, a 6-year-old girl, gave her 0.5 yuan coins to her teacher, saying, "These were for ice cream. But now please hand them to the poor children in disaster area."

Vice-Premier Li Peng went himself on May 12-13 to the scene to see the victims and give on-the-spot direction.

So far the death toll in the disaster has mounted to 191, with another 221 seriously injured. Five thousand people are homeless. And losses are estimated at 450 million yuan (US\$120 million) not including the burnt forest itself, as reported by the commanding

headquarters of the Forestry Ministry on May 17.

An official from the headquarters disclosed on the same day that the northern border of the western fire zone was approaching China's northernmost town of Mohe 15 kilometres away, while the smouldering ashes of the east fire zone, rekindled by high temperatures and strong winds, posed a new threat to the town of Tahe. "We are doing everything we can to protect the county," he said.

He said that the 40,000 soldiers, firefighters and local people are persistently fighting day and night against the inferno, with firemen stamping out new flames, troops coping with the remaining flames and local people making sure that no blazes are still alive.

However, the official said, the situation still does not warrant any optimism as the fire in some areas, believed to have been put out, might easily blaze up again in a wind. The spreading of fire makes reinforcement of firefighters and distribution of materials difficult. Dense smoke causes low visibility for planes to watch the fire.

Nevertheless, he said, "We are trying our best to win the battle in a few days."

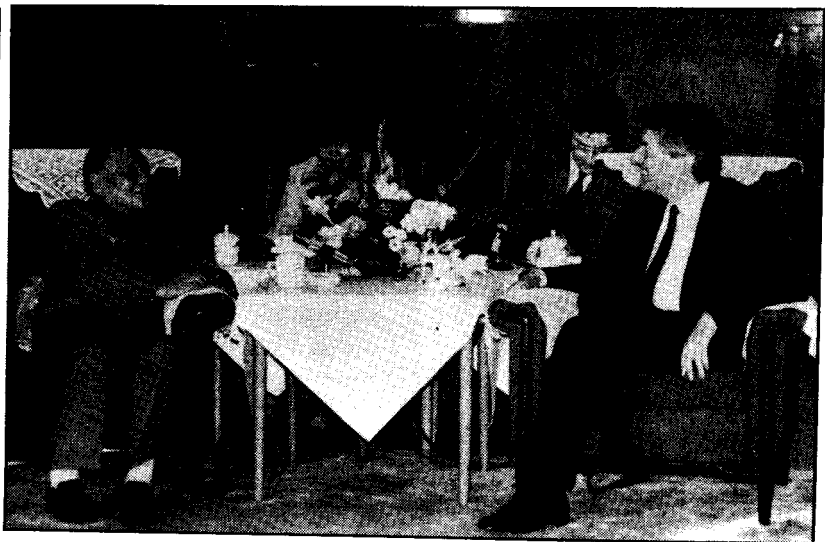
by Wang Xin

Sino-Dutch Ties Enter a New Stage

Sino-Dutch bilateral relations and economic co-operation will be strengthened with the successful visit to China by Rudolphus Lubbers, Prime Minister of the Netherlands.

"The visit by Chinese Premier Zhao Ziyang to the Netherlands in 1985 and the current visit of the Dutch Prime Minister have marked the start of a new period for the development of Sino-Dutch relations," said Deng Xiaoping, Chairman of the Chinese Communist Party Central Advisory Commission.

Lubbers arrived in Beijing on May 10 for a week-long official



LI ZHIYUAN

Deng Xiaoping, chairman of the Chinese Communist Party Central Advisory Commission, meets Rudolphus Lubbers, Dutch Prime Minister.

visit. In Beijing, he met Chinese leaders and later described his meetings, talks and discussions with his Chinese hosts as friendly and fruitful.

While meeting Lubbers on May 12, Deng Xiaoping stressed that Europe is an important area in global politics, and both Eastern and Western Europe should join forces for peace. "We wish to see a united, strong and developing Europe," he said, "that is why we strive to develop our relations with European countries." Deng noted that China and the Netherlands share identical views on the issues of war and peace.

He reiterated that China follows an independent peaceful foreign policy. "We don't play others' cards—neither the card of the United States nor that of the Soviet Union—and we are also unwilling to be a card played by others," he added.

Lubbers said that international political issues have to be solved step by step in order to relax world tension. China occupies an important place in this regard.

During their talk on May 11, Zhao Ziyang said that it is possible for the two superpowers to reach temporary or partial agreement on arms control since they both need

such an agreement. However, he added, it will take an arduous bargaining process for the two to reach an agreement even though it is a tentative, regional one. "Neither superpower has altered its fundamental strategies. Therefore, it is hard to say if international tensions will really be relaxed," Zhao said.

Zhao stressed that the disarmament issue should not be dominated by the two superpowers alone. The two countries should listen to the views of small and medium-sized countries.

"It is our view that the number of mid-range missiles deployed in both Europe and Asia should be reduced. And we do not agree with the Soviet Union who keeps mid-range missiles in Asia while removing those in Europe," Zhao said. "Since security in Europe and Asia are equally important, mid-range missiles on these two continents should be reduced in a systematic way until they are totally eliminated." Disarmament should not be limited to nuclear weapons but should also include conventional arms, Zhao said, adding that China understands the concern expressed by western European countries about the reduction of conventional arms.

Zhao said the unity and strength of the western European countries, the strengthening of co-operation between China and western Europe, and a closer relationship between eastern and western Europe will play a great role in maintaining world peace. In reply, Lubbers said that Europe has become more united and is playing a more important role in disarmament.

On bilateral relations, Zhao said, "after restoring diplomatic relations to the ambassadorial level (in 1984), China and the Netherlands have abided by the principles of mutual respect for sovereignty and territorial integrity, equality and mutual benefit." Contact and co-operation between the two countries in political, economic, scientific, technological, and cultural sectors are developing rapidly.

Zhao expressed China's wish to further political consultations and economic co-operation with the Netherlands. He invited Dutch enterprises to invest in China in the wake of the country's improving climate for overseas investment.

Lubbers told Zhao that the Netherlands is confident of China's economic development and willing to provide financial and technical services.

Trade between the two countries reached a record high last year. Zhao said that the continuation of China's open policy has made possible further development of economic relations between China and the Netherlands and China and western Europe, adding that Sino-Dutch trade will be further expanded this year.

An agreement to avoid double taxation between the two countries, and a memorandum of understanding on scientific and technological co-operation with China's State Science and Technology Commission were signed on May 13. ■

Compulsory Education Stressed

Since the Compulsory Education Law came into effect last year, more than 1,000 counties, or 50 percent of the country's total, adopted measures to ensure at least six years of schooling for every child.

But China is still relatively backward in basic education. Elementary education still has not been popularized in some regions, especially in the remote and border areas. A new generation of illiterates is emerging. Girls' education still remains a serious problem in China's rural areas, forming a stumbling block to the implementation of the nine-year compulsory education law.

Take Gansu Province for example. According to Liu Shu, vice-governor in charge of education work there, 157,300 children of school age in the province are not in school. Of them, 131,000, or 85 percent, are girls. Of the girls who are enrolled, 80 percent can not finish their six-year primary education.

While progress is being made in urban areas in carrying out the nine-year programme, rural areas are lagging far behind and it is difficult to keep girls at school, Liu said. Rural girls over 10 are the main domestic helpers of their parents. They are asked to take care of younger siblings and do household chores. In pastoral areas, they also have to herd the sheep.

"This is not because the farmers are not aware of the importance of investing in education, but because of the backwardness of the local economy, and the limited financial income for farmers' families," Liu noted. "Then there is also the traditional idea that boys should get the first chance for education because they are the permanent members of families, while girls will get married and move away," he said, adding that

this results in the increasing proportion of women among the illiterates.

"The Chinese women have great potential," the vice-governor said, signing. Some competent women feel vexed at being uneducated, especially when they reach middle age. "Moreover," Liu said, "uneducated mothers can hardly be responsible for training the younger generation. So raising the educational level of women is the key to improving educational quality of the whole nation."

In carrying out China's compulsory education law, Liu stressed, compulsory education for girls should be addressed as a special issue, particularly in the remote areas and regions where minority ethnic people live in compact communities. Another problem encountered in carrying out compulsory education is that of ramshackle schoolhouses, which are threatening the health and safety of both students and teachers.

According to Wu Fusheng, an official of Education, Science, Culture and Public Health Committee of the National People's Congress, the State has invested too little in the construction of primary and secondary schools for a long time. Now 38.6 million square metres of dangerous buildings are in need of repair. In the countryside especially, many schoolhouses are dilapidated and in danger of collapsing.

So there is an urgent need during the Seventh Five-Year Plan period (1986-90) for the country to put both money and manpower into changing these dangerous conditions, Wu said.

The lack of money is not the only problem, he pointed out. In many areas, a lot of money has been spent on non-productive construction, like office buildings, trade exhibition centres and even

temples. The official said that the 8.3 billion yuan invested in these kinds of projects last year by 59 cities and counties surveyed is enough to repair all the dangerous schoolhouses in the country.

Wu suggested that the government pay great attention to problems of dangerous schoolhouses. Those local authorities who fail to repair schoolhouses in their areas should not be allowed to invest in other non-productive projects. The state should increase funds to repair schoolhouses, especially in poor areas. And local governments should provide part of the money. Donations from organizations and individuals should also be encouraged, he said. ■

Bonds Queues Seen in Beijing

■ Long queues formed by the gates of the China Industrial and Commercial Bank (CICB) May 15 and the China People's Construction Bank (CPCB) May 17 in Beijing, waiting to buy bonds for raising money for the country's economy.

The biggest individual buyer for CICB, according to Xinhua, bought 600,000 yuan about US\$161,725). While for CPCB, the biggest buyer was an aged professor who bought 100,000 yuan (US\$26,954) worth of the bonds.

CICB is to issue 1.5 billion yuan (US\$404 million) nationwide, and its Beijing branch has issued 90 million yuan (US\$24 million). The branch of the CPCB plans to issue key construction projects bonds worth 15 million yuan (US\$4 million).

The bonds issued by the CICB have an annual interest rate of 9 percent for one-year-maturity term, and those from the CPCB have an annual interest rate of 10.5 percent for a three-year-maturity term. ■

Weekly Chronicle (May 11-17)

POLITICAL

May 13

■ According to Xinhua, China's State Council issued three new provisional regulations as supplements to the Law on Mineral Resources. The provisions stipulate any individual or unit wishing to exploit mineral resources, or engage in geological prospecting activities in China must register with the pertinent authorities.

■ *Economic Daily* reports, at a recent State Council meeting Premier Zhao Ziyang calls for strict import limits on equipment for new chemical fertilizer plants, and for speeding up production of Chinese-made equipment.

ECONOMIC

May 11

■ According to the State Statistical Bureau, China's industrial output value totalled 85.2 billion yuan (more than US\$23 billion) in April this year, an increase of 15.2 percent over the same period of 1986. This brought the combined industrial output value of the first four months of this year to 312 billion yuan (about US\$84.3 billion), a rise of 14.4 percent over the same period in 1986 or 32.7 percent of the country's plan for 1987.

May 12

■ According to *Economic Daily*, China is now speeding up construction of four large petrochemical projects in Daqing, Qilu, Yangzi and Shanghai. When the four projects are completed in 1990 as scheduled, China will expand its total ethylene production capacity to two million tons annually.

CULTURAL

May 11

■ Beijing's International Academy of Chinese Culture

begins offering a correspondence graduate course in comparative culture to Chinese students. The academy seeks to enroll foreign academic organizations and individuals, who may also receive personal consultations with Chinese scholars in Beijing.

May 12

■ A coffin, unearthed from a 400-year-old tomb in Shangrao, Jiangxi Province, was found to hold a body, still intact, except for the hair, according to the overseas edition of the *People's Daily*. The corpse's joints can be moved about easily, and when positioned, the body can sit upright without support.

■ China has sold a software patent to the US-based IBM company. The patent holder, Wang Yongmin, has invented an easy and efficient technique for using Chinese characters on a computer. It is the first such programme to earn a US patent. American newspapers say it is a breakthrough by China in software.

FOREIGN RELATIONS

May 11

■ Chinese President Li Xian-nian and Premier Zhao Ziyang send a message to Polish State Council President Jaruzelski and Premier Messner extending their condolences over the death of 183 people in a plane crash near Warsaw on May 9.

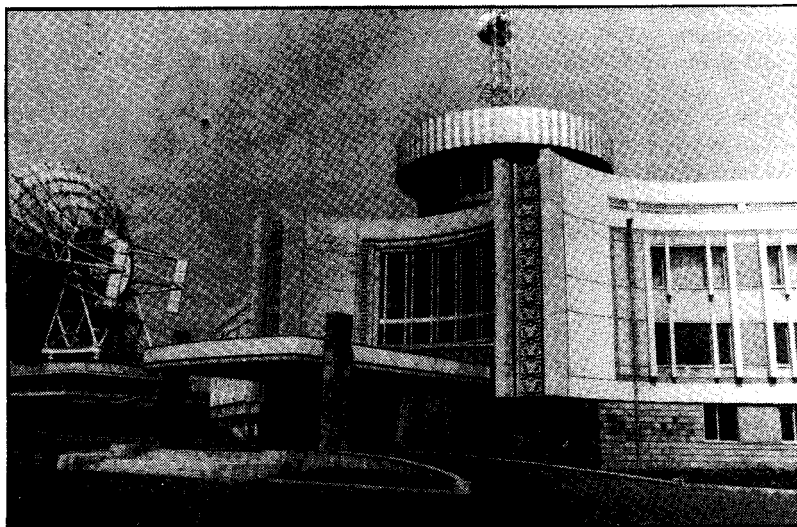
May 12

■ Deng Xiaoping, Chairman of the Chinese Communist Party Central Advisory Commission, meets visiting UN secretary general Javier Perez De Cuellar in Beijing. Deng says both China and the UN are concerned about the same issues—peace and development. The UN is playing an increasingly important role in settling these two issues.

DPRK

Rapid Development of Agriculture

Since its founding, the Democratic People's Republic of Korea (DPRK) has achieved great progress in socialist economic construction, especially in the technological revolution in agriculture.



The first ground communication satellite station built in Pyongyang

After liberation in 1945, the Korean Workers' Party (KWP) and President Kim Il Sung carried out a socialist transformation and defined the basic tasks of an agricultural technological revolution. Their goal was to bring mechanization and electrification to the nation's agriculture, to irrigate all farmland, and to introduce chemical fertilizers and other farm chemicals.

North Korea's irrigation construction has developed rapidly in postwar years. During the first Five-Year Plan (1957-61), its irrigated areas reached 80,000 hectares. During the period of the First Seven-Year Plan (1961-

1967), the irrigating and draining systems for dry lands were constructed, and more than 40,000 kilometres of water canals were built. By now, DPRK has built over 10,700 reservoirs and 23,700 pumping stations. The irrigated areas have amounted to 1.8 million hectares. All farmlands around the capital, Pyongyang, have been irrigated since the end of the 1960s. Now modern irrigation networks cover all farmland in both mountainous and plain areas of Korea.

While putting great effort into the construction of irrigation works, the DPRK government has

been vigorously promoting the mechanization of agriculture. The use of threshers increased 40 percent, tractors 50 percent, trucks 30 percent, rice transplanters over 50 percent, weeders 100 percent and harvestors over 500 percent between 1977 and 1984.

Making full use of the water resources, the DPRK has brought electricity to most of the nation's farmers. Hydro-electric generating plants currently account for 50 percent of the country's total generated energy. In 1960, 92 percent of the villages and 60 percent of rural households had electricity. By 1969, however, the DPRK had basically completed electrification of the entire country.

DPRK began its use of chemical fertilizers comparatively late. But the work has achieved great progress since the 1970s. The amount of chemical fertilizer applied per hectare of farmland increased from 975 kilogrammes in 1975 to over 1,500 kilogrammes in 1980. The production of chemical fertilizers in 1984 was 32 times more than that of 1946. Weed killers are now used for all kinds of crops.

Because of this agricultural technological revolution, the grain output of the DPRK increased from 2.67 million tons in 1946 to 10 million tons in 1984. Paddy rice yield in 1984 was 2.8 times that of 1946; the maize output increased 7.2-fold over that of 1946.

The development of agriculture has laid a base for improving the lives of the people. During the 1964-66 period, DPRK gradually abolished the agricultural tax. In 1974, it also adopted an important measure to reduce the prices of industrial products by 30 percent. Thus, the real income of farmers has kept increasing. In October 1985, the DPRK introduced social security to ensure peasants the right to free education, free medical treatment and paid holidays.

by Li Nengqing

THAILAND

Position on Kampuchean Issue Reaffirmed

Thailand's Foreign Minister Siddhi Savetsila's visit to Moscow proves that severe differences between Thailand and the Soviet Union still remain on the Kampuchean issue, but the two sides desire to develop bilateral relations.

During his four-day visit to Moscow (May 10-14), Thai Foreign Minister Siddhi Savetsila and Soviet leaders discussed bilateral relations and international issues, in particular the Kampuchean problem.

According to a Soviet spokesman, Soviet Foreign Minister Eduard Shevardnadze said at talks with the visiting Thai foreign minister on May 11, that "any settlement without the participation of that country's (Kampuchea's) current leadership would be built on sand." The Soviet side held that "the policy of national reconciliation and concord," pursued by the Heng Samrin regime, "lays the groundwork for efforts towards a political settlement," the spokesman said. He did not mention if Moscow would urge Viet Nam to withdraw its troops from Kampuchea.

The Thai foreign minister, however, maintained that foreign troops must withdraw from Kampuchea as quickly as possible, so the Kampuchean people would gain the right to self-determination and become an independent and neutral state not threatening its neighbouring countries.

During his talks with the Soviet foreign minister, Siddhi said he hopes that the Soviet side will play a role in settling the Kampuchean issue. At a luncheon held for him by the Soviet foreign minister on May 11, Siddhi stressed that "the Soviet Union is capable of playing a principal role in the resolution of this problem which threatens the

security of all countries." Representing the Association of South-east Asian Nations (ASEAN) he said that ASEAN sees this as a "test case" of the Soviet Union's intentions.

Before his Soviet tour, Siddhi has had consultations with officials of the other five ASEAN members—Brunei, Indonesia, Malaysia, the Philippines and Singapore—for setting forth the stand taken by them on the Kampuchean question. ASEAN members demand that the Kampuchean problem be solved in accordance with the eight-point proposal set forth by the Coalition Government of Democratic Kampuchea. The proposal calls for the pullout of Vietnamese occupation troops from Kampuchea and the

formation of a four-party coalition government including the Heng Samrin faction.

During his visit to Thailand at the end of last March, the Soviet foreign minister claimed, perhaps for the first time, that foreign troops should withdraw from Kampuchea. The Soviet Union, a main military supporter of Viet Nam, has strategic benefits vested in the country, in particular the military base in Cam Ranh Bay. However, after Siddhi's visit, it was clear that Moscow's position on the Kampuchean issue will not change drastically in the near future.

At the meeting with President of the Presidium of the Supreme Soviet of the Union of Soviet Socialist Republic Andrei Gromyko on May 12, Siddhi and Gromyko expressed their desire to strengthen political, economic and cultural ties including parliamentary contact. Soviet-Thai trade reached US\$96.1 million in 1986, with Thailand having a US\$52.2 million surplus. The officials of the two countries have signed a protocol to establish a joint Soviet-Thai trade commission.

by Chang Qing

SOVIET UNION

Seeking a Bigger Role in Middle East

In an attempt to break the United States' monopoly on the peace process in the Middle East, Moscow is trying hard to develop relations with countries in the region.

The past few months have seen an increasingly strong diplomatic offensive launched by Moscow aimed at becoming involved in the peace process in the Middle East. More specifically, it wants to convene an international peace conference on the Middle East attended by the five permanent members of the UN Security

Council and other parties concerned, thus establishing itself as a major political force in the region.

From March 24-31 a Soviet delegation led by Vladimir Orlov, vice-president of the Presidium of the Supreme Soviet, visited Jordan. During the visit, Jordan and the Soviet Union agreed that peace in the Middle East could be

achieved only through an international conference attended by all parties in the Arab-Israeli conflict, as well as the five permanent members of the UN Security Council and the Palestine Liberation Organization (PLO).

In early April, Soviet Deputy Foreign Minister Yuli Vorontsev visited Libya and Algeria in the capacity of envoy of the general secretary of the Soviet Communist Party.

Also in April, another Deputy Foreign Minister Vladimir Petrovski visited Kuwait, the United Arab Emirates, Oman and Iraq in the Persian Gulf. He repeated his government's proposal to convene an international conference on the Middle East, saying that the circumstances are now available. He also expressed concern over the threat to free navigation in the Gulf and proposed forceful measures of the UN to end the seven-year Iran-Iraq war.

During April 23-25, Syrian President Hafez el Assad visited Moscow. It is reported that the main topic of the discussions between Assad and Soviet leader Mikhail Gorbachev was the possibility of an international conference and Soviet aid to Damascus. A joint statement issued afterwards said the military co-operation between the two countries is of major significance in their bilateral relations and Moscow will continue to help Syria build up its defence capability. In the end, Gorbachev accepted Assad's invitation to visit Syria.

Relations between Moscow and Cairo also thawed in the wake of this effort. They had been at odds since the 1970s. However, Moscow began to make overtures by offering to reschedule Egypt's US\$3 billion military debt, which was incurred in the years prior to 1972 when Moscow was Egypt's main arms supplier.

Israel, one of the key players in the Middle East conflict, was of course not ignored. A meeting

between Soviet and Israeli consular officials in Helsinki last August ended prematurely amid a strong response from the Arab world. Contacts between the two sides, however, did not cease. Early in April two senior officials of the Soviet Communist Party met Israeli Foreign Minister Shimon Peres in Rome during a meeting of the Socialist International. And on April 21, the Soviet Foreign Ministry denied reports that a planned Soviet consular visit to Israel had been cancelled. However, the Soviet proposal to hold an international conference was turned down by Israel, which insisted that the Soviet Union must establish diplomatic relations with Israel first and loosen its restrictions on Soviet Jews emigrating to Israel.

Recent reconciliation of the various factions of the PLO in Algeria was also reported to be connected with the Soviet overture.

The Soviet offensive came at a time when the United States, which has dominated the peace process in the Middle East since the Camp David accords of 1979, is losing ground. The stubborn

pro-Israel policy of Washington has led the peace process to an impasse. American raid on Libya and the notorious arms deal with Iran have seriously damaged US credibility and caused suspicion and distrust on the part of those Arab nations which maintain good relations with Washington. It was against such a background that Moscow is launching a diplomatic campaign in an effort to replace Washington as the chief mediator in the Middle East conflicts.

It will not be a smooth road for Moscow to achieve its objective, however. There are too many complicated political factors in the region. For example, Iraq and Syria are Moscow's main Arab allies, but Syria is supporting Iran against Iraq. Recent Iranian achievements in the war also worry the Soviets because the war is going in a direction that Moscow does not like. Soviet efforts to improve relations with Israel are also blocked by the possible negative reaction from Arab world, which will jeopardize Moscow's position in the region.

by She Duanzhi

BRITAIN

Local Elections Signal Thatcher Victory

While no definitive statement can be made as to the outcome of Britain's June election, recent opinion polls and local election results point to another victory for Margaret Thatcher.

British Prime Minister Margaret Thatcher announced on May 11 the long-anticipated decision to call an early general election on June 11. The date was announced after Thatcher asked Queen Elizabeth II to dissolve the Parliament one year ahead of schedule.

It is the results of the May 7

local elections that encouraged Mrs. Thatcher to make the move. In the election for some 12,000 seats on 369 district councils in England and Wales, the Conservative Party secured a net gain of 75 seats, maintaining a 40 percent share of the national vote as it did in 1983. The Labour Party suffered a net loss of 227 seats

while its share of the national vote dropped from 34 percent four years ago to 30 percent. The Alliance of Social Democrats and Liberals gained most in the voting by registering a net increase of 453 seats, with its share of the national vote climbing from 22 percent in 1983 to 27 percent, but it remains the third largest party in the country.

All these signals indicate that Mrs. Thatcher's party may be the favourite in the upcoming general election, leaving little hope for the opposition parties to replace the Conservatives. The Labour Party has been weakened recently by a series of internal policy arguments while the Alliance of Social Democrats and Liberals has not yet advanced enough to pose a serious threat to the Conservatives. Moreover, since the two opposition parties continue to fight against each other, as they did in the 1983 general election, the Conservatives are very likely to keep a 40 percent share of the national vote to win most of the seats in Parliament. Conservative Party Chairman Norman Tebbit has predicted that the June 11 election will give his party an overall majority of more than 100 seats in the 650-seat Parliament. Independent analysts put the figure at 30 to 60. Whatever the figure is, Mrs. Thatcher is very hopeful of winning a record third consecutive term of office. If re-elected for another five-year term, Thatcher will become the longest-serving British prime minister this century.

The Conservative government's success is attributed to its important financial and economic measures. Last November, instead of following its traditional policy of curtailing public expenditures, the Thatcher government allocated an extra £4.7 billion for education, health and other social services, winning support among the middle and lower classes. In March this year, the government set aside £2 billion in the budget for income tax reductions and £3

billion to reduce the government's borrowing.

The government's strong financial position is due to record tax revenues generated by a record consumer spending spree in 1986. Government coffers contain some £5 billion from the privatization of British Gas, British Airways and other giant public utilities. The British economy, which secured a steady 2.6 percent growth rate last year coupled with a robust 4.2 percent increase in the average real income of the employed, has benefited from both the recent drop in the US dollar's value and the devaluation of the pound sterling against the Deutsche mark and other major European currencies. The former has helped reduce the cost of British industry's imports while the latter gives British exports a much-wanted competitive edge.

Even the tide of unemployment, England's biggest headache, seems now to be running in Mrs. Thatcher's favour. The official unemployment figures, based on a revised method of counting, has been dropping with an average monthly rate of some 25,000 since last autumn. This is largely because of the government's expanded job-training schemes and a modest increase in employment, mostly in the service sectors. The jobless total is expected to fall below the 3 million

barrier by the end of this month.

On foreign policy, the government asserts that the Soviet proposal to abolish intermediate-range nuclear weapons in Europe is proof that its policy of "peace through strength" has brought positive results. The exceptionally warm reception given to Mrs. Thatcher during her visit to the Soviet Union has helped boost the prime minister's image as a respected world leader.

However, no one is sure that the Conservatives will win. First, although the Conservative Party seems to be the most favoured among the three largest parties in Britain, its lead in popularity ratings as reflected in recent opinion polls and the local elections has not been as long-established as it was four years ago. Secondly, the Conservatives are also facing a determined opposition from the Labour Party whose campaign is widely believed to be better organized than in 1983. The alliance, enjoying much more support than it did on the eve of the last national election, adds the complexities of a three-horse race. Given the present volatility of the electorate, any significant slippages during the campaign could result in a decisive swing of the votes from the Conservatives to their rivals.

by Cheng Kexiong

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Publishing: Unified Management

In January the State Council announced that it had decided to set up the State Administration of News and Publications of the People's Republic of China. At a press conference in Beijing on May 15, Du Daozheng, director of the administration, and Liu Gao, deputy director, answered questions. Following are the main points as reported by our correspondent Lu Yun.



Du



Liu

Reasons for the Establishment of the Administration

Du Daozheng: After the founding of the People's Republic in 1949, the General Administration of News, and the General Administration of Publications were set up by the central people's government. The General Administration of News was disbanded two years later; the General Administration of Publications, though renamed several times, continues to the present.

China now publishes 1,574 newspapers, 5,248 periodicals and has 446 publishing houses. The many units and the resulting problems call for the establishment of a department of unified management. As far as I know, preparations continued for about

two years. Its establishment has something to do with the struggle against bourgeois liberalization, but it is not the main reason.

Main Tasks

As previously reported, the State Council has entrusted the State Administration of News and Publications with five tasks. One is examination. This means mainly examination after publication. Of course, this does not completely exclude prior examination. For example, important defence secrets, secrets of sophisticated science and technology will be looked at before being published.

This administration, which is a little over one month old, is now proceeding with a number of tasks.

Its drafting of a publication law has been basically completed. The draft will be submitted to the Administration of Legal System of the State Council for examination and will finally be sent to the NPC Standing Committee for examination. The draft includes a special chapter on newspapers, periodicals and guarantees for publication. Newspapers have been included because they are also publication. How to enact a news law is now under study. As I understand it, the reform of China's political structure must be carried out actively but steadily, though a little faster in the short term. The State Administration of News and Publications should share the responsibility for strengthening democracy and the legal system.

In his report on government work to the Fifth Session of the Sixth National People's Congress, Premier Zhao Ziyang set forth the tasks of further consolidating, supplementing and strengthening the position of the media. Under the leadership of the Party and government, consolidating newspapers, magazines and publishing houses will be a major task this year for the State Administration and the bureaus of news and publications being set up in various provinces.

Our attitude towards publishing houses which turn out defective and poor-quality works, is that education must be conducted there. Some Hong Kong news-

papers have described the consolidation as something very frightening, this is a misunderstanding.

The State Council set down two guidelines for this administration: One is upholding the four cardinal principles and combating bourgeois liberalization, the other is persisting in reforms and opening up and invigorating the domestic economy. The two are dialectically unified and complement each other. Neglecting any aspect will lead to mistakes.

What Consolidation Means

Question: Does your administration have the right to stop the publication of newspapers and magazines?

Du: Our administration and the bureaus of news and publications at the provincial level do have the right to stop publication of newspapers, periodicals and the operation of the press in accordance with state law and the administrative rules and regulations promulgated by the government. Consolidation of newspapers and magazines is now under way. Those meeting the following six standards can continue publication.

- Having clearly defined work purposes which match the four cardinal principles and can serve socialist material construction and the building of advanced culture and ethics.

- Having a specialized business scope approved by the organization designated by the state.

- Having a management unit and department at the next higher level which conscientiously assume the responsibility of leadership.

- Having a well-organized leading body.

- Having a competent full-time chief editor (or editor-in-chief, or head of the press), and professional backbone force.

- Having adequate material

resources (funds, offices, printing shops or printers).

Ten years ago, 75 publishing houses in China published 186 newspapers and 542 periodicals. Today, these figures are seven to 10 times higher. With this increase, China was short of good editors and paper. For example, in one province which publishes 220 newspapers and magazines, there are only 207 qualified editors. The flourishing publishing business is therefore fraught with problems such as random publication of periodicals and their inferior quality. All this points to the need for consolidation.

Q: Does your administration have the power to discharge an editor-in-chief?

Du: In accordance with the relevant laws, our administration may reward or punish the director or editor-in-chief of a certain press, provided that the government department in charge approves our decision.

Q: How many newspapers have been ordered to close down? Will the "World Economic Herald" of Shanghai be closed too?

Du: Newspapers which are required to consolidate themselves may continue operation. This is different from closing down newspapers. For example, the *Shenzhen Qingnian Bao* (Youth News), the *Shenzhen Gongren Bao* (workers Paper), the *Shanghai Society Paper* and the *Science and Technology Consultancy Paper* in Anhui have all suspended circulation for consolidation. Some Hong Kong newspapers said that one-third of our newspapers have been closed down; this is wrong.

However, if there is any newspaper which is found during consolidation to have the problems I mentioned, such as unnecessary overlapping, very inferior quality or a profit orientation, or if it has reached a dead-end in its circulation, it will be closed down. Other newspapers will resume publication after the

consolidation. For example, most of the 30 literary publications which have been consolidated in Guangxi Zhuang Autonomous Region resumed publication, but there have been some personal changes.

The *World Economic Herald* of Shanghai is still in operation. Whether it will be closed is a matter for the Shanghai municipal government to decide. We hold that this paper has made many mistakes and needs education, consolidation and enhancement. If its leaders can admit and correct their mistakes, they will not be punished.

Relations Between the Administration and the Propaganda Department of the CPC Central Committee

Q: What kind of relationship does your administration maintain with the CPC Central Committee's Propaganda Department and the Press and Publication Bureaus under it?

Du: This is related to the political structural reform and separating Party from government. The Communist Party of China is the ruling Party but its decisions apply only to its own members; it is not the law. Meanwhile, all the decisions and laws of the National People's Congress and the government have legal force over everyone, including Communist Party members. Strengthening the Party leadership should find expression mainly in the correctness of its decisions and exemplary role of the Communist Party members.

Our administration maintains a very close relationship with the Propaganda Department of the CPC Central Committee. Our administration and the bureaus of news and publications at the provincial level are to wield part of the state power.

Freedom of the Press

Q: What do you think of news censorship in China?

Du: Whether the Party and the government have allowed enough freedom of news, or have censored too much varied in different historical periods. When China was under the correct leadership of the Party and government, there was appropriate freedom. For example, the Party allowed full freedom of the press during the period of the War of Liberation in the 1940s (I was an army reporter then). In the early 1950s (I was a reporter for the Xinhua News Agency) and in the years after the downfall of the "gang of four" in 1976, those were all times of freedom. We have had some problems with this in the past few years, but during the "cultural revolution," there was no press freedom at all.

Q: The press can supervise the government in the West. What do you think of this?

Du: I have read something about this, but I am not clear what is the real situation. In China, the press and books combine to help, supervise and encourage the government and its staff.

Q: How are things with Liu Binyan?

Du: Liu Binyan was expelled from the Party because he violated the Party's constitution and refused to accept the Party organization's criticism and education. However, he still remains vice-chairman of the Chinese Writers' Association, and he is still a writer. The *Selected Reportage Works* compiled by the People's Literature Publishing House which is also under our administration, will soon come off the press. It contains one of Liu's articles.

In my opinion, our Party and government have learnt the lessons of the past. In the case of Liu, the party and government call on Liu to on the one hand, face up to his mistakes and conscientiously correct them.

On the other hand, the Party and government should absolutely not bludgeon such writers. An overall, historical evaluation of his merits and demerits has been made. I hope he will recognize and correct his errors. As long as he does so and, if he wanted to rejoin the Party, the Party would welcome him, I suppose.

Freedom of Speech Must Match the Constitution

Q: What is the relationship between news censorship, press consolidation and administration of the publishing industry on the one hand and freedom of speech and freedom of the press as stipulated in the Constitution on the other?

Liu Gao: Our Constitution provides for freedom of speech and freedom of the press. Citizens should exercise these rights within the purview of the Constitution, because that benefits the country and the people. The State Administration of News and Publications supervises and examines the work of news and publishing organizations according to the Constitution and relevant laws mainly out of the following considerations.

Firstly, to discover the best of newspapers, magazines and publications and then support and encourage good methods, and experiences which are conducive to socialist modernization. This is the positive, and the primary element of the supervision. We also criticize, curb and even punish according to the law shortcomings, mistakes and individual cases of violations of the Constitution and the law. We do so for the sake of the healthy development of our publications and in the interests of the country and its people.

The State Administration of News and Publications cherishes friendly, comradely relations with the news and publishing circles,

because the goal of the two sides are identical: to build socialism with Chinese characteristics.

Du: Just as the city of Beijing has to enforce strict traffic regulations on its 6 million bicycles and 370,000 buses and cars, so the freedoms and rights of the press are not contradictory with the administration and laws enforced among them.

The campaign of adhering to the four cardinal principles and combating bourgeois liberalization is very important as it is aimed at maintaining political stability and unity. Modern Chinese history proves that turmoil would result if the Party's leadership and the socialist system were shaken, and that without political stability the economic reform, opening to the world, enlivening the domestic economy, the realization of the "one country, two systems" concept, the political democracy or whatever would all be empty talk. That is the situation in China.

On Banning Books

Q: Now there are reports that China is banning books. What is your comment?

Liu: To exercise control over the publication industry is part of our administration's job. Our major task is to help publishing houses co-ordinate their publishing plans and solve their problems of paper supply, printing and distribution, so as to support the development of the publication industry.

In the publication of improper books, it is our responsibility to interfere. One example is *Lady Chatterley's Lover* by British writer D.H. Lawrence. The book contains crude descriptions of sex. There has been controversy in many countries over its publication. China has its own national customs and cultural traditions. Its publication here would be harmful to readers, especially the young. After soliciting opinions

from many experts, the administration has decided to stop its publication. In April this year, however, the People's Literature Publishing House published another book by the same author *Sons and Lovers*. This represents an attitude of seeking truth from facts and being responsible to the readers.

Zhang Xianliang's novel *Good Morning, Friends* describes the sexual psychology of secondary school students. After excerpts of the novel were printed in *Ningxia Qingnian* it drew severe criticisms. Some people even went to his home to confront him. Having exchanged views with the Chinese Writers' Association, we suggested that the *Shuofang* magazine of Ningxia, which had planned to publish the novel in full, should shelve the plan until a further

decision was made by the Chinese Writers' Association. Since reaction was so strong, we think it necessary to be careful.

Some Hong Kong newspapers asserted that we have banned the publication of works by Sigmund Freud and Friedrich Nietzsche. This is not true. It is necessary to introduce, study and review the academic works of various countries in a selective manner. We have done so before and will continue to do so in the future. Over the last two years, China has published more than 20 works by Freud and over 10 by Nietzsche. The point here is that there is much unnecessary repetition, and some publishers reprinted some very poorly translated editions from overseas. We are duty-bound to notify the publishing houses of this. The aim is to strengthen

planning, select better books and improve the quality of books published. This is not banning publication, still less closing the door. The Institute of Foreign Literature under the Chinese Academy of Social Sciences plans to publish a 30-volume series of European and American literary theoretical works written this century. It will include works by Nietzsche and Jean-Paul Sartre. The series has been incorporated in the state publication plan and the government has earmarked funds for it.

In short, we want to build socialism with distinct Chinese characteristics and we will continue the open cultural policy. But selective absorption is necessary.

Du: Our doors are not open wide enough. ■

Yunnan Opens to Foreign Businesses

In a recent interview Zhu Kui, deputy governor of Yunnan Province, told "Beijing Review" about his province's successes and troubles in carrying out the open policy over the past few years. He also described new measures for improving the investment climate. A multinational frontier province, Yunnan is looking forward to co-operation with overseas businessmen in the exploitation of its rich resources, said Zhu.

by Our Correspondent Lu Yun

Question: What are the recent developments in implementing the open policy?

Zhu: During the Sixth Five-Year Plan period (1981-85), the province's economy developed rapidly. The total output value of industry and agriculture, the provincial income and revenue increased by more than 140 percent as compared with 1980. The average annual increase of each item was more than 10 percent, a faster rate than the years before 1981, thanks to the policies of reform, enlivening the domestic market and opening to the outside world.

Though we introduced the policy a bit later than other provinces, remarkable success has been achieved.

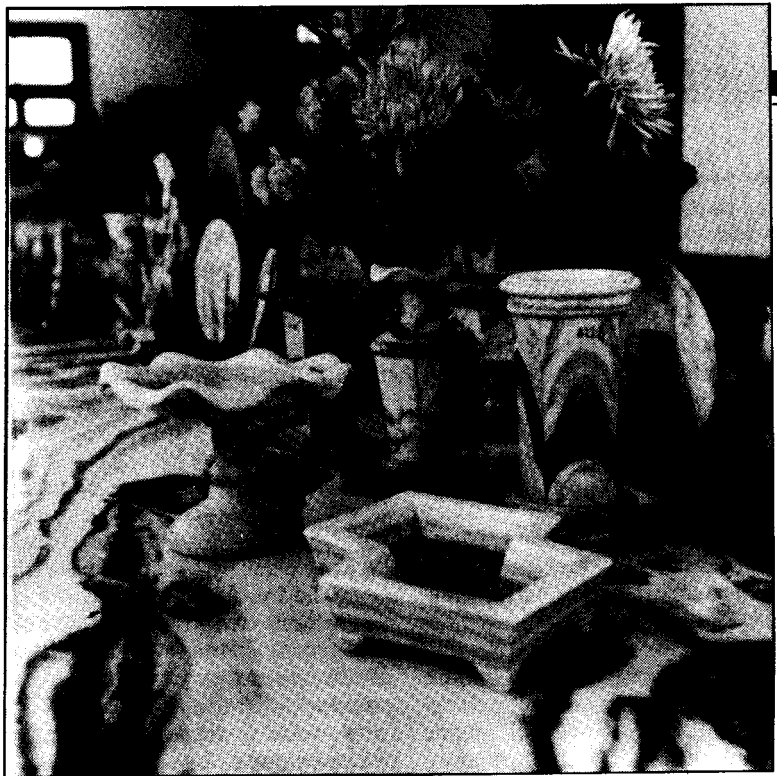
The province's exports include non-ferrous metals, phosphate ore, tea, tobacco and animal by-products, the total export volume of which has hovered around US\$100 million a year, but it has grown rapidly in the last two years. Trade ties have been set up with more than 90 countries and regions, including the United States, the Federal Republic of Germany, Hong Kong and Macao. The total export volume increased to around US\$170

million in 1986 and the value of imports to US\$100 million, the main products imported being rolled steel, chemical fertilizer and additives for cigarettes.

Since 1980, the province has approved 53 foreign-invested projects with a total investment of US\$97 million. They include 22 joint ventures, 15 compensatory and processing businesses, 13 international leasing businesses, one commercial loan from abroad, two governmental loans from other countries covering metallurgy, chemical industries, electronics, communications, building materials, hydro-power

and light industries, farming and animal husbandry, tourism and service trades. As for those projects already completed, good results have been achieved in accelerating technical renovation and advancement, improving product quality and management efficiency.

In an effort to promote economic and trade relations with foreign countries, the province held in 1985 a co-operation and trade symposium for the first time in Hong Kong, at which more than 20 business contracts were signed. During the Sixth Five-Year Plan period, Yunnan brought in 165 items of advanced technology and equipment from abroad, most of which have achieved good results in production. For instance, The Kunming Cigarette Factory, known for its brand products such as Double Nine and Camellia cigarettes, and the Yuxi Cigarette Factory noted for its brand cigarettes Ahshima, Red Tower Mountain, Yuxi and Happy New Year, improved their technology by bringing in advanced foreign equipment including tobacco-cutting machines from the FRG, cigarette-making machines from Britain and packing equipment from Italy. The Yunnan Phosphate Fertilizer Works used foreign capital to import some advanced equipment which has been put into operation and achieved good results. Some



HUANG LUKUI

The marble goods produced in the province sell well at home and abroad.

key enterprises in the machinery and electrical products industry introduced 15 major installations with US\$10 million in the past two years; these helped change the type of exports and dramatically raised their sales.

The province also reached agreements with their counterparts in Burma, Iraq and Mauritius to provide labour service. During 1981-85, nine projects involving such service were completed, earning US\$29 million. Five were completed in 1986, earning US\$12 million.

Q: What advantages does the

province have in exploiting its resources?

Zhu: Yunnan is an inland province with three features:

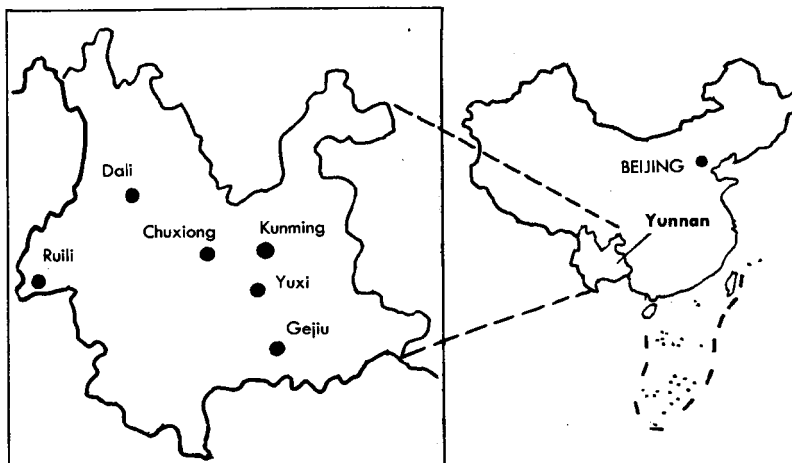
1. Mountainous terrain: the province in territory, 394,000 square kilometres 94 percent of which is mountainous and only 6 percent plains.

2. Many nationalities: the population of 34 million includes more than 11 million minority people, almost one-third of the total. In addition to the Hans, there are 24 minorities.

3. Frontier conditions: the province borders on Viet Nam, Laos and Burma with a total boundary line extending 4,061 kilometres.

These features determined the unevenness in social and economic development of the various minorities. Except for a few developed areas, Yunnan, as a whole, lags behind other provinces.

Yunnan's advantages lie in its abundant resources both above and underground. It is known as the "kingdom of flora and fauna," the "treasure-house of non-ferrous metals" and the "land of medicinal herbs." Specifically



speaking, the province has the following five favourable conditions:

1. Rich mineral resources: The mining of non-ferrous metals and phosphate ore has been on a sizeable scale. The reserves of phosphate ore amount to 2 billion tons with potential reserves reaching 20 billion tons. Most of the mines can be open-cast, where communications are convenient and easy of access. Gejiu city has long been known in history for its tin deposits. Yunnan's reserves of tin, indium and potassium rank first in the country and the deposits of aluminium, zinc and germanium, second. Reserves of copper, manganese, antimony and tungsten are also huge. Phosphate ore, quartzite and marble constitute most of the non-metal reserves. Salt mines have also been developed.

2. Abundant energy resources: Exploitable water resources total 71 million kw, ranking second in the country. So far only about 1 million kw have been tapped. Verified coal reserves of about 17 billion tons provide favourable conditions for building thermal power stations.

3. Rich plant resources: Yunnan is one of the four largest forest areas in China. Despite serious damage over the years, Yunnan still has a reserve of 1.3 billion cubic metres of timber.

The province's botanical resources of the tropical, subtropical and frigid zones can be readily exploited. There are more than 8,000 species of high-quality plants, nearly half of which can be directly developed and used, including rubber trees, sugarcane, spice, medicinal herbs, fruits, shellac and special kind of timber. Tobacco, sugar and tea have become the three economic pillars of the province. The income from sales of cured tobacco and packed cigarettes provides 53 percent of the province's revenue. The productive capability of sugar refineries has grown to 500,000 tons a year. The production of tea,

rubber, fruits and vegetables has developed rapidly in recent years.

4. Expansion of animal husbandry: There is extensive, unexploited grassland in the mountainous areas suitable for cattle pasturing. The number of livestock at present ranks third and the average per-capita head of cattle first in the country. Among the minorities, people raise cattle not for sale but for use as draft animals, for producing manure, or for demonstrating their wealth. Though the head of cattle in the province reached 8.7 million, only 2 percent were put on sale during the year. Great potential lies in the development of cattle raising.

5. Excellent prospects for tourist trade: The province offers a unique landscape, scenic spots and historical sites; the customs and way of life of the people are fascinating; all these are still to be fully tapped and made use of. Last year, about 100,000 tourists visited the province, about half of them foreigners.



The ingots produced in Gejiu are exported.

HUANG LUKUI

Q: Are there any difficulties in exploiting these resources?

Zhu: One is the lack of transportation. This has seriously hampered the development of a commodity economy. For instance, there are some relatively inaccessible areas without proper roads. Farmers who live in such places usually find it very difficult to sell their pigs. They need help to transport the pigs to market and

must put up at an inn if they fail to sell out their stock the first day. The expense comes to one-third or almost half of what they can earn from the sale. The local government and people have spared no effort to improve transport conditions. In spite of difficulties in highway construction here, more than 17,000 kilometres have been built since the winter of 1984.

Our second problem is the lack of information, as well as the ways and means to develop a commodity economy.

Then we also lack funds. Today, with very limited funds of its own, the province has to depend on financial aid from the state to develop its economy.

Fourth, lack of talent. Economic backwardness is closely linked to the low level of cultural development. About 6 million young educated people in their rural areas are being trained in various skills under a unified programme. At the same time, new professional and vocational schools are helping to speed up the cultivation of skilled personnel.

In the light of the actual conditions in the province, we are looking forward to co-operation with businessmen abroad in the exploitation of the abundant natural resources. We warmly welcome foreign businessmen, overseas Chinese and compatriots from Hong Kong, Macao and Taiwan to invest in the province, and provide advanced technology and equipment. At present, the number of co-operation projects is small, while many problems exist in their production and operation. To improve the investment climate, the provincial government has formulated some regulations encouraging foreign businessmen to invest in accordance with the 22-articles published by the State Council. The government has also allocated special funds this year for inviting professional technicians and managerial experts from abroad.

Q: What major steps will the local and central governments

take to promote future development?

Zhu: At this stage, the state gives top priority to the exploitation of the economically developed areas along the coastline and in the eastern part of China. At the turn of the century, however, the priority will be shifted to southwestern and northwestern China, Yunnan Province included. So, preparations are under way for the coming large-scale exploitation during the Seventh Five-Year Plan (1986-90).

In the province itself, the most important thing is to improve transportation and plan the construction of energy projects. The state has earmarked special funds for the reconstruction of four arterial highways radiating from the provincial capital

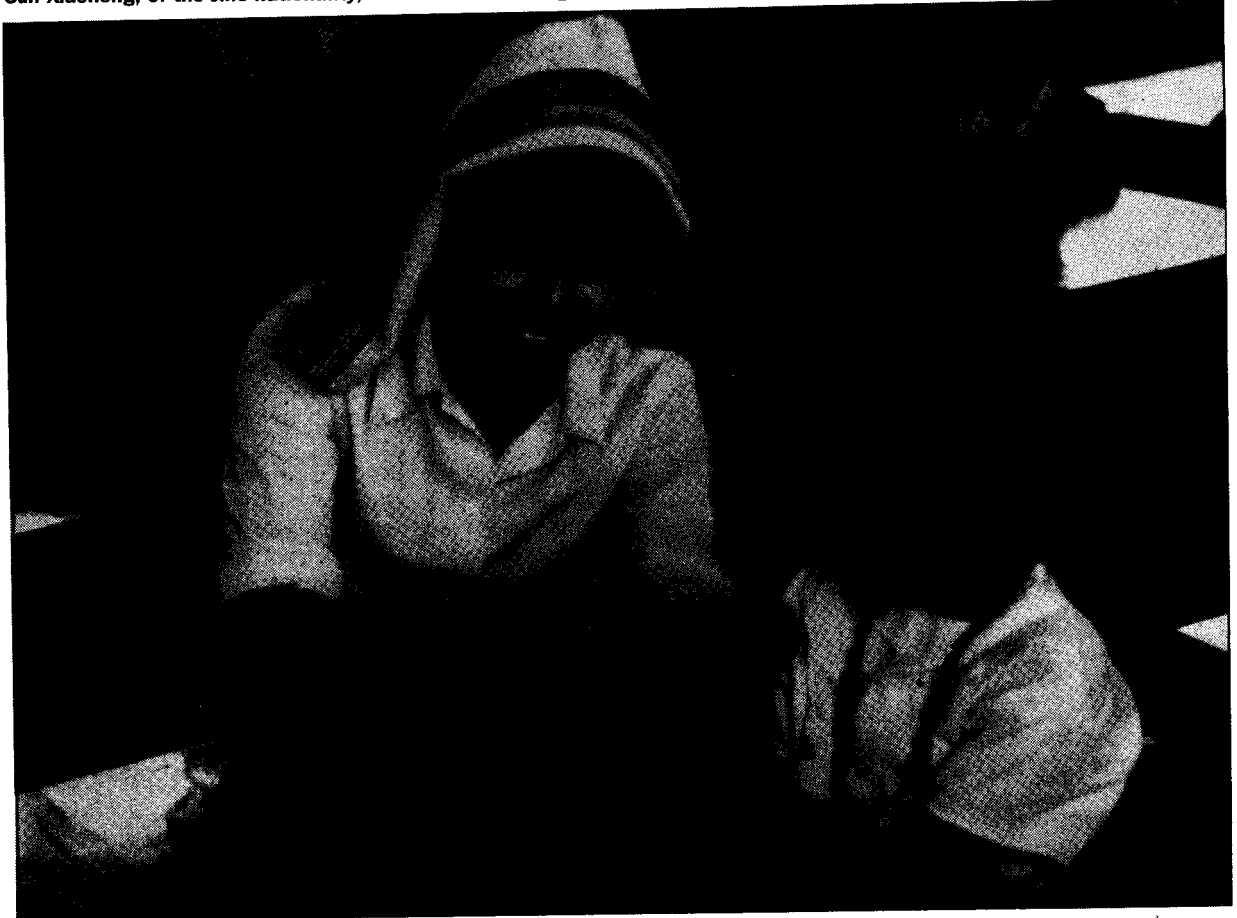
Kunming to the western, southwestern, northeastern and southeastern parts of the province during the Seventh Five-Year Plan (1986-90). An investment of 600 million yuan is needed to build the 200 kilometre-long railway from Chuxiong to Dali, but 200 million yuan has yet to be raised. Our phosphorous chemical engineering and iron and steel industries are now listed in the Seventh Five-Year Plan. Construction of the Manwan hydroelectric power station (generating capacity 1.5 million kw) and another station (capacity 600,000kw) has started. Besides guaranteeing supplies of raw materials for processing industries in the coastal areas, the province is preparing to develop its metal materials processing industry to strengthen its economic capability.

Strengthening this capability must be given primary consideration while economic and technological co-operative projects are contracted with foreign partners. At present, the province is striving to attract more foreign capital to build up enterprises specializing in non-ferrous metals, phosphate chemical engineering, communications, building materials, spice-processing and leather goods production. As to resources development projects, they should, according to state regulations, be granted the same preferential treatment as enjoyed by those in the coastal areas after they are approved by the state.

Q: Would you please explain what new regulations the province offers for the encouragement of foreign investment?

Sun Xiaohong, of the Jino nationality, teaches in a kindergarten.

ZHAI WANXIN



Zhu: The new regulations published by the province on December 30, 1986 cover the following main points:

Export-oriented and technically advanced enterprises, except for those in downtown areas, will be exempted from fees for the use of land for 5 years beginning from the date of their operation. Starting with the sixth year of its operation, an enterprise must pay less than 1.5 yuan per square metre of land annually for land use. The above-mentioned enterprises are also exempted from all payments for subsidies extended by the state to the Chinese employees. Other foreign-invested enterprises are required to pay only 20 yuan to the local government as monthly subsidies extended by the state to each Chinese employee in those enterprises to cover food, oil and fuel expenses.

During the period when the foreign-invested enterprises are exempted from the enterprise income tax according to state regulations, they are also free from the local income tax. Those export-oriented and advanced-technology enterprises, besides enjoying the above-mentioned preferential treatment, will be exempted from the local income

tax for another five years. If the annual export value of an export-oriented enterprise exceeds 70 percent of its output value in the year concerned after its enjoyment of these preferential conditions expires, it will be free from the local income tax for that particular year. No industrial and commercial consolidated tax will be levied on products directly exported by foreign-invested enterprises or exported by entrusted agencies of foreign trade or other companies, with the exception of crude oil, oil products and products on whose export there are separate state regulations.

Under the supervision and management of the provincial sub-bureau of exchange control, exchange of currencies is allowed between foreign-invested enterprises. If this still fails to balance their foreign exchange books, solvent enterprises may apply to the sub-bureau for loans in foreign exchange. The foreign exchange retained according to regulations by Chinese trade companies that export products through marketing channels provided by the foreign partners of the foreign-invested enterprises should be shared with the suppliers of the products, the remainder should be

deposited in a special bank account; this will be used by the provincial department concerned to help balance the foreign exchange books of the foreign-invested enterprises. Priority should be given to those foreign-funded enterprises which provide the marketing channels to meet their needs for funds to balance their exchange books.

The autonomy and legal interests of foreign-invested enterprises should be protected. Within the limits of Chinese law and the approved contracts, they have the right to run their own production and operation and introduce advanced, scientific managerial methods conducive to improving productivity and economic results. They can determine by themselves their production and operation programmes, organizational set-ups, the number of employees, appointment of personnel, wage scale and awards system. Except for the department authorized by the state to take charge of foreign-funded enterprises, no other organizations or individuals are allowed to interfere in the production and operation of these enterprises.

Improving efficiency. As for the foreign-invested projects within the authority of the province, the organization concerned should give a written reply on the proposal and the feasibility studies report about the project within 40 days following their submission, decide whether an agreement, a contract or a statute is ratified within 20 days and issue an instrument of ratification within 10 days. Problems arising from the production and operation of these enterprises and their declarations should be studied and solved without delay by a joint office comprising the departments concerned.

These regulations also apply to enterprises operated by firms and enterprises and other economic organizations or individuals from Hong Kong, Macao and Taiwan.

Free market .

LU YUAN



Ruili: China's Southwestern Gate to Burma

by Our Correspondent Lu Yun

Ruili, a remote county 900 km west of Kunming, capital of Yunnan Province, is regarded as China's southwestern gate to Burma. Hemmed in as it is by rugged mountains 1,200 metres above sea level, the county enjoys abundant rainfall typical of the subtropical climate. Its frostfree, evergreen land of 856 square metres is home to 70,000 inhabitants, mostly Dais and Jingpos.

The county is part of the Tehung Dai and Jingpo Autonomous Prefecture, a region that thrived on the busy trade traffic between China, Burma and India on the "Southwestern Silk Road" during the Tang Dynasty (618-907).

Today, traditional Sino-Burmese exchanges remain very much alive in Ruili, which borders Burma on three sides. Symbolic of this is the constant stream of boats sailing up and down the Ruili River. The river meanders its way through the county and flows on southwest to join the Irrawaddy River in Burma.

"Sibling" Affection

The Dunhong Ferry service between China and Burma consists of four boats plying back and forth across the Ruili River. Nearby stands the newly built frontier inspection station, whose roof is graced with a fluttering five-star red flag and a signboard bearing the words: "Ruili, China." When the Chinese travellers disembark, they travel on by bike or tractor. The incoming Burmese stop for simple formalities at the station before entering the Chinese territory.

According to Cheng Shukui, head of the inspection station, if the Burmese come for a day trip,

they are immediately issued visas by showing their identity cards. If they expect to stay in China for a while, they get a border pass, which enables them to go to the designated commercial areas. Every day the Dunhong Ferry accommodates over 1,400 people.

Local people of both countries have always been on good terms since 1949, even during the "cultural revolution." They go to each other's fairs and celebrate the Dai Water-Sprinkling Festival together. Local officials, too, exchange visits during festivals.

The two nations are so closely linked in this area that the borderline often runs through densely populated villages and in some places, bridges, ditches or narrow

paths are the only things to separate China from Burma. The Dai, Jingpo, Lisu and Benglong people live on both sides of the line. Naturally, cross-border marriages are commonplace, and Chinese and Burmese residents often drink water from the same wells. Several years ago, when a Chinese house caught fire, a Burmese fire brigade rushed to its rescue, and when a Burmese family lost its home, its Chinese neighbours immediately sent in goods and relief.

The two countries' public security departments also help each other in fighting drug trafficking and other criminal cases. Debt, divorce and other civilian cases are tackled through

The Dai Nationality

The 1982 national census put the Dai population at 839,000. Most of them live in the Xishuang Banna Dai Autonomous Prefecture in Yunnan Province, the Tehung Dai and Jingpo Autonomous Prefecture and Kengma and Menglien Autonomous Counties, and the rest are scattered in 30 other counties in Yunnan Province. Most Dais live in valleys surrounded by hills. Villages are scattered amidst green bamboo groves skirted by sparkling streams. Local products include grain, sugarcane, camphor, coffee, rubber, shellac and lemongrass. Xishuang Banna is known for its Puer tea, mangos, pineapples, coconuts and bananas. The forests abound in teak, red sandalwood, devilpepper and cinchona trees and wild elephants, tigers, leopards, deer, rhinoceros, golden-haired monkeys, peacocks and hornbills.

There are also rich deposits of copper, iron, gold and silver.

The Dais, with a recorded history dating back to the first century A.D., has its own spoken and written language. Most Dais are Buddhists. In Xishuang Banna, boys are sent to live in temples for a while before they are considered men, and some of them stay on and become monks. Most Dai festivals are of a religious nature. During the Water-Sprinkling Festival, for instance, the local people pray for a good harvest.

The Dai nationality also has its own calendar and a rich legacy in literature and art, and virtually every Dai is a good folk dancer and singer. The Peacock dance, the Xiangjiao drum (a drum on a pedestal shaped like an elephant's leg, used by several minority nationalities in Yunnan) and the Mang gong are part of the Dai tradition.

Ruili County's Economy in the 1980-85 Period

	1980	1985	Average annual increase
Ruili's total industrial and agricultural output value	28.96 million yuan	48.62 million yuan	11 percent
Average per-capita income	413 yuan	715 yuan	11.5 percent
Average farmers' per-capita net income	167 yuan	431 yuan	
Total volume of retail sales	30.9 million yuan	86.13 million yuan	22.7 percent
Sideline production (excluding grain) out of total agricultural output value	9.27 percent	54.58 percent	
Marketing rate of agricultural & sideline products	73 percent	81 percent	

friendly consultations.

The Ruili County Hospital, with 110 beds and more than 120 staff members, is known for its low charges and good service. Every year more than 1,000 Burmese patients visit the hospital, and Burmese doctors often come to learn and swap experiences with their Chinese colleagues. An amateur Chinese theatre troupe has performed for residents across the Ruili River on several occasions.

Religious Activities

In Ruili, many people are Buddhists. There are many

temples in the area. The Jiele Golden Pagoda, a magnificent 18th-century structure, has always served as the religious centre for local Buddhists of both countries. In 1983, when it was reopened after a major refurbishment, a grand ceremony was held. Over 10,000 Burmese Buddhists, including 100 old people who arrived after a five-day journey, joined their Chinese friends for the occasion. Recently the pagoda was again surrounded by scaffolding and many painters were working on it.

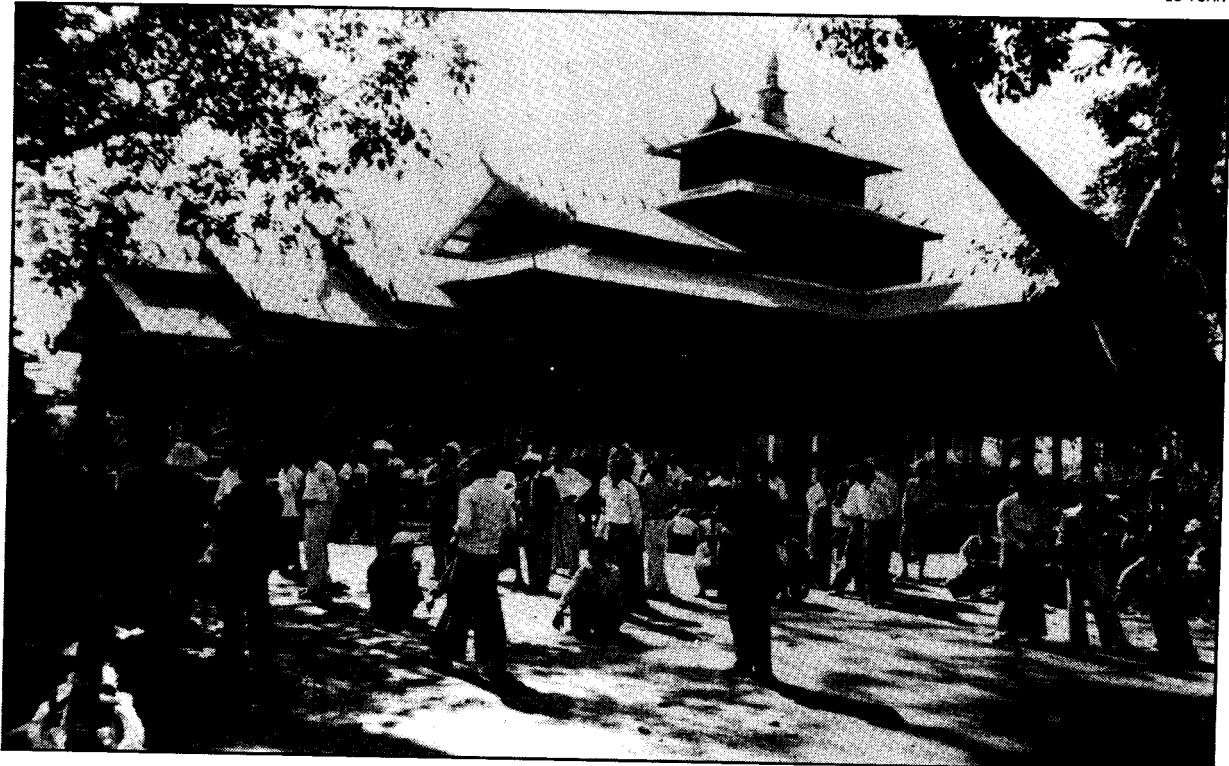
Members of an ethnic group on

both sides of the Sino-Burmese borderline often believe in the same religion. For example, the Dais and Benglons are Buddhists and the Jingpo people are either Catholics or Christians. In 1985, when a patriotic Christian commission was established in Ruili, more than 1,800 Burmese Christians took part in the inaugural celebration. They were delighted to see the new pastors and places of worship and a Jingpo-language version of the Bible.

The Hansa Temple is yet another religious attraction in Ruili. When it was destroyed during the "cultural revolution,"

Outside the Hansa Temple.

LU YUAN



Wubinya-Wensa, the 57-year-old living Buddha, was forced to leave the place and went to Burma. Wubinya returned in 1983, when the policy for freedom of religious belief struck deeper root and the Hansa Temple was rebuilt.

Today, the Hansa Temple with its 19 monks keeps in close touch with Buddhists at home and abroad. Famous Buddhists from Rangoon and members of the Thai royal family have come all the way to visit it. Dai Buddhists come to pay homage in July, August and September, and sometimes the temple receives over 5,000 visitors a day.

Out of Poverty

The traditional dress for women in Ruili is long, colourful skirts matched with a big turban, and many still dress this way. Their healthy complexion and colourful attire are sure signs of an improving living standard. According to local government sources, half of Ruili's farmers have moved into new houses over the last few years.

In Shuijing village there are 386 residents in 63 households. Most of them are Dais, and the others are Nus, Lisus and Hans. Recent years have seen a steady increase in the production of grain, sugarcane and potatoes. This, coupled with thriving watermelon



Interior of a Dai "specialized household."

LU YUAN

production, has markedly augmented the farmers' income. Some of the wealthier farmers in the village have bought trucks and tractors.

Ruanhanxiaodi, 31, is a Dai farmer in Daizengkan village who recently bought a 25-seater bus to run a service between Ruili and Wanding and makes good money this way. He has bought a colour TV and built a beautiful house.

Yang Fuxi is a Han farmer who married a Dai woman in 1967. The family now has six members who, while doing a good job in farming under the responsibility system, also make reinforced concrete telegraph poles. They opened a

hotel in 1983, which covers an area of 400 square metres and has 41 beds and a dining hall. Last year, the Yangs earned 9,000 yuan, no small amount according to Chinese standards.

The Market

Ruili's county seat is clustered with hotels, banks, restaurants and bookshops that stand along wide, clean streets. The free markets offer a wide choice of fresh vegetables, fruit, eggs, meat, aquatic products, grain, etc.

According to Zhang Xuemin, a leader of the county's administrative bureau of industry and commerce, commodities sold on the free market increased from 300 kinds in 1980 to 860 in 1986, while the volume of business increased from 960,000 yuan to 19.2 million yuan. Local residents account for 47 percent of the customers, and the others come from other parts of China and from Burma. In 1984, only 35 percent of the commodities sold in Ruili were local products but now the figure is 52 percent.

In May 1985, Ruili opened evening markets to the delight of dwellers and visitors. They include fruit stalls, midnight snack bars, and over 80 booths selling

(Continued on p. 27)

The Jingpo Nationality

The 1982 national census put the Jingpo population at 93,000. Most of them live in the Tehung Dai and Jingpo Autonomous Prefecture, and the others live in the Nuchiang Lisu Autonomous Prefecture and Kengma and Lantsang Counties. The mountainous areas where the Jingpo people live are usually 1,500 metres above sea level, rich in mineral resources and rare timbers and medicinal herbs. Cash crops

include rubber, tea, coffee, oil tung trees, shellac and kapok. The forests are teeming with tigers, leopards, bears, muntjacs, boas, pheasants and parrots.

The Jingpo nationality has its own language and alphabetic writing. According to historical data, forefathers of the Jingpos moved from the southern part of the Tibetan Plateau to Yunnan in ancient times. After the 16th century, most of them immigrated to the area now known as the Tehung Dai and Jingpo Autonomous Prefecture.

Legal Protection for Investors

by Yue Haitao

Is there any legal guarantee for investment in China?" This is a question often haunting foreign businessmen and a reflection of the inadequacy of China's legal system. Fortunately, the situation has improved considerably in the last eight years.

The roles of the National People's Congress and its Standing Committee as China's legislative bodies have been brought to full play. So far, the relevant economic laws already enacted and promulgated and administrative rules and regulations formulated by the State Council have exceeded 200 in number. They include 50 laws and regulations on relations with foreign countries. Of these laws and regulations, the most important ones include the Law on Joint Ventures Using Chinese and Foreign Investment, Regulations for the Implementation of the Law on Sino-Foreign Joint Ventures, the Law on Foreign Enterprises, Regulations on the Registration of Sino-Foreign Joint Ventures, Regulations on Labour Management in Sino-Foreign Joint Ventures, Income Tax Law Concerning Sino-Foreign Joint Ventures, Detailed Rules for Implementation of the Income Tax Law, Economic Contract Law, the Income Tax Law Concerning Foreign Enterprises, Individual Income Tax Law, Patent Law, Trademark Law and Bankruptcy Law. The Chinese and foreign-language texts of these laws and regulations on relations with foreign companies can be obtained from Chinese officials and negotiators.

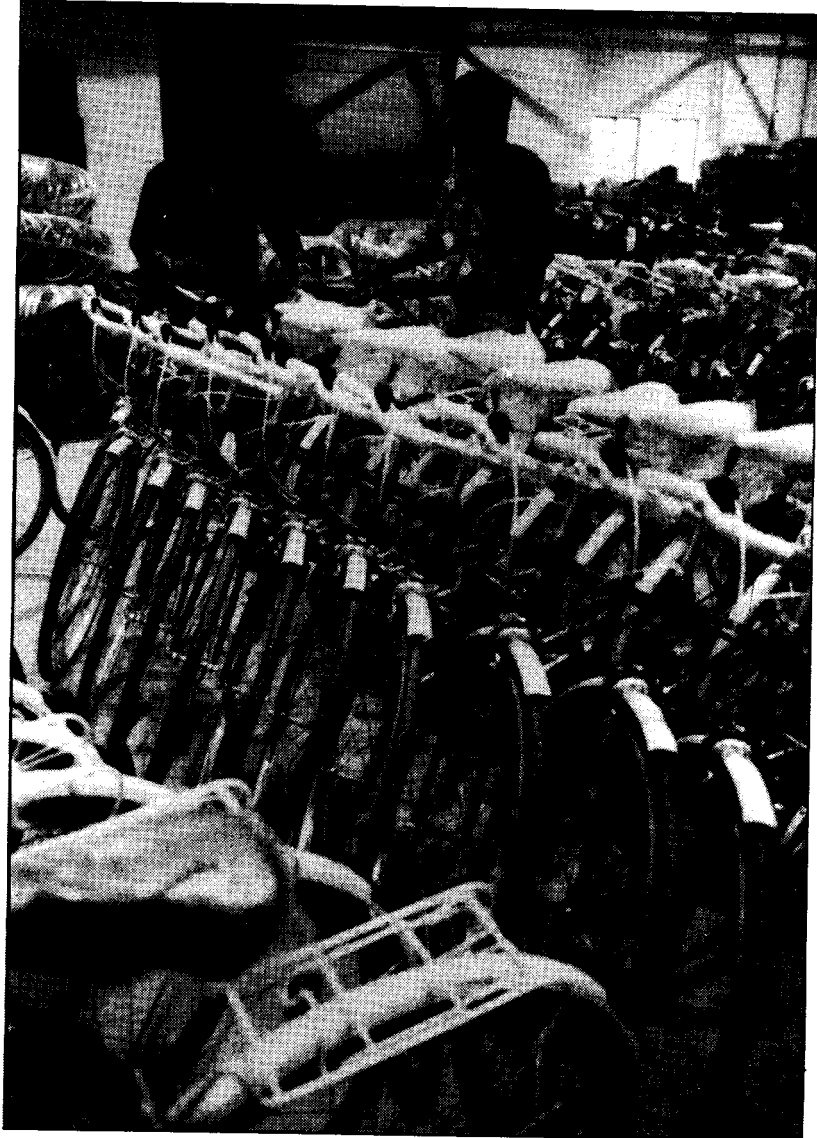
Article 18 of the Constitution of the People's Republic of China promulgated in 1982 stipulates: "The People's Republic of China permits foreign enterprises, other

foreign economic organizations and individual foreigners to invest in China and to enter into various forms of economic co-operation with Chinese enterprises and other economic organizations in accordance with the law of the People's Republic of China. All foreign enterprises and other

foreign economic organizations in China, as well as joint ventures with Chinese and foreign investment located in China, shall abide by the law of the People's Republic of China. The Constitution's protection of the investors' lawful rights and interests is the most effective

The Tianjin Danhua Bicycles Co. Ltd. exports in large quantities.

YANG BAOKUN



guarantee. All laws, decrees, rules and regulations formulated by the central and local governments should not contradict the Constitution.

To deal with the existing problems concerning investment climate, the State Council promulgated on October 11 last year Certain Regulations for Encouraging Foreign Investment (called the "22-points" for short). The regulations guarantee foreign-funded enterprises full right to determine their own production and management, including the right to hire and dismiss employees. According to the regulations, technically advanced and export-oriented enterprises are granted preferential treatment in taxation, service charges and fees on the use of land. They decreed that government organizations concerned should raise work efficiency and service quality.

The "22-points" are now being implemented across the country and have been warmly welcomed by foreign investors. Mr. Howard Young, general manager of John Swire & Son (China) Ltd., said that the new regulations are definitely a positive measure that will be well received. He said he believed that the regulations would encourage foreign businessmen to invest in China. Mr. Don St. Pierre, general manager of the Beijing Jeep Co. Ltd., said that the "22-points" represented a major step forward to attract and guarantee foreign investment. "If you have a quality product and a practical management plan, China will definitely step in to lend you a hand."

Of the detailed rules and regulations worked out for the implementation of the "22-points," four have been promulgated, including Regulations on Foreign-Funded Enterprises' Autonomy to Employ Workers, to Determine Wages, Insurance and

Welfare Expenses; and Measures for the Management of Imported Materials and Parts Needed by Foreign-Funded Enterprises for Implementing Product Export Contracts. Another five sets of regulations soon to be published are: Measures of the People's Bank of China for Foreign-Funded Enterprises to Use Foreign Exchange as Mortgage on Loans in Renminbi (People's Currency); Provisional Regulations on Confirming and Checking Export-Oriented and Technically Advanced Enterprises Among Foreign-Funded Enterprises; Rules Concerning Foreign-Funded Enterprises Applying for Import and Export Licences; Rules Concerning Foreign-Funded Enterprises Purchasing Products on the Home Market for Export to Balance Their Foreign Exchange Books; Provisional Regulations on Proportion Between Registered Capital and Total Investment of Foreign-Funded Enterprises.

However, it cannot be said, as yet, that the legal protection China provides for overseas investors has been perfected, law-making work still continues. For example, Law Concerning Sino-Foreign Co-operative Enterprises, Company Law and Bill Law have not yet been formulated. Most foreign investors say that such laws and regulations should be an indispensable, component part of the laws and regulations on economic relations with foreign countries.

Of course, foreign investors are concerned with the stability of China's political situation and its open policy. Developments since 1978 have shown that there is no problem in that respect because China's current policies are correct and effective and are supported by the people. The general manager of a joint venture set up in the Tianjin Economic Development Area deems it politically secure and reliable for

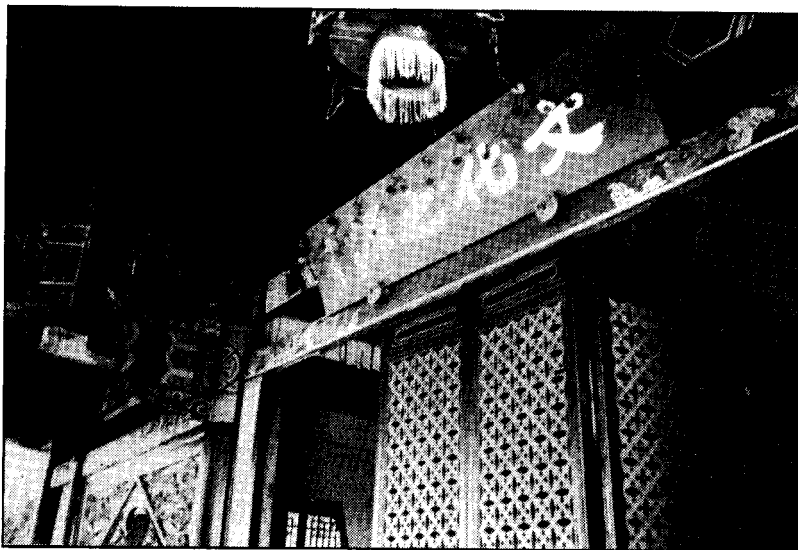
his company to open a factory in China. General Manager Howard Young also said that political stability and rich natural resources place China in a more advantageous position than other Asian countries and regions.

On July 10, 1986, in answering questions put to him by Moirko Djekic, Chief Editor of Yugoslavia's *News Weekly* in Belgrade, Premier Zhao said, "Allowing and encouraging foreign investment is an important component of China's policy of opening to the outside world."

The Chinese government also guarantees foreign investors' remittance of profits, funds and personal income abroad. Article 10 of the Law for Joint Ventures Using Chinese and Foreign Investment stipulates: "The net profit which a foreign participant receives as his share after executing his obligations under the pertinent laws and agreements and contracts, the funds he receives at the time when the joint venture terminates or winds up its operations, and his other funds may be remitted abroad through the Bank of China in accordance with the foreign exchange regulations and in the currency or currencies specified in the contracts concerning the joint venture." Article 11 stipulates: "The wages, salaries or other legitimate income earned by a foreign worker or staff member of a joint venture, after payment of the personal income tax under the laws of the People's Republic of China, may be remitted abroad through the Bank of China in accordance with the foreign exchange regulations."

In order to provide further legal protection for investors, the Chinese government has signed bilateral investment protection agreements, investment insurance agreements, agreements on avoidance of dual taxation and on tax evasion with many countries the world over. ■

Tengchong: A Border Town



The inscription in Yu Youren's handwriting.

LU YUN

Tengchong County in Yunnan Province has been a place of economic and military importance on the southwestern Chinese border since ancient times. On the highway leading to Burma and India, it became a vital junction linking the three countries up to the ninth century during the Han and Tang dynasties. Aided by the US air force, a Chinese expeditionary army recaptured Tengchong from Japanese aggressors in September, 1944 during the War of Resistance Against Japan. The two sides fought fiercely for over 40 days and the whole city was

levelled. The Cemetery of the Martyrs, built in memory of the Kuomintang army's generals and fighters who died in the battle, was renovated in 1985. With some illustrations of the battle, it is now open to the public.

In Laifeng Park which is green all the year round, a replica of Ming Dynasty Tengchong (completed in 1445) was built on a scale of 1.5:10,000. Quiet and beautiful, Laifeng Park is much like the gardens to the south of the Changjiang (Yangtze) River. In the main hall in the park, there is an inscription written by Yu

Youren, a founding member of the Kuomintang, saying, "source of culture." There are a brief account of the history and culture of Tengchong County, and the pictures and descriptions of 24 prominent figures born in Tengchong in ancient or modern times. Accounts of people from Tengchong who made notable contributions to national independence and development and fought for the freedom and happiness of the people over the past 1,000 years are all there.

Heshun township has a history of 603 years. Over 5,500 people live there now, most of them are farmers and 80 percent are returned overseas Chinese. There are 8,000 Heshun people abroad, and 6,000 others working elsewhere in the country. Heshun is set in a picturesque country of green mountains and clear waters. In the township, there are stone arch bridges, stone memorial gateways and platforms surrounded by stone pillars. Secondary education is universal in the township. Heshun library, built in 1928, is reckoned to be China's No. 1 rural library with 61,000 books, including ancient woodcut threadbound books and rare editions. The Yuanlong Pavilion in the Heshun tourist resort was built in 1762. Its superb workmanship, beautiful decorations and a limpid pool inside make it a real attraction to tourists. ■

(Continued from p. 24)

Ruili: Gate to Burma

imported clothes, nylon fabrics, cosmetics, and household goods.

Ruili abounds in coal, iron and water resources. Its forests cover an area of 28,600 hectares. Ruili's nature reserve is the habitat for peacocks, elks, hornbills and many other exotic animals. The two reservoirs and an irrigation

canal dug after liberation have improved the local irrigation conditions. However, during the "cultural revolution" the local people failed to tap the rich natural resources, as they were working single-mindedly to boost grain output. Since the economic reform started in 1979, the local people have diversified their economy by planting fruit trees, vegetables, sugarcane and rubber. Expanded sugarcane cultivation

prompted the county to expand its sugar refinery in 1984, which handles 175,000 tons of sugarcane a year. For many years in the past, Ruili relied heavily on state subsidies; today, with industry growing alongside an equally thriving agriculture, the county has achieved the beginning of prosperity. In 1985, it delivered 350,000 yuan of revenue to the state; in 1986 the figure increased to 1.1 million yuan. ■

He Jingzhi on Liu Binyan and Liu Xinwu

"LIAOWANG"

(Outlook, Overseas Edition)

Writer Liu Binyan is still at his post as vice-chairman of the Chinese Writers' Association, even though he has been expelled from the Party. If he really realizes and corrects his mistakes, and wishes to return to the Party, the Party will bid him welcome. He Jingzhi, deputy head of the Propaganda Department of the CPC Central Committee, said this in an interview with a reporter not long ago.

When asked to comment on a joint letter by some overseas writers about Liu Binyan's expulsion from the Party, He Jingzhi said that it is understandable that some overseas people have various misgivings because they don't know clearly about the matters within the Communist Party of China.

He said, the expulsion of Liu Binyan from the Party was decided as a result of overall consideration of Liu's all achievements and errors. Maybe his starting point was fine when he wrote some of his reports. But, he had committed a mistake of big proportions, that is, what he called "speaking one's mind without reservation." In fact, what he meant was to change the nature of the Communist Party of China and ask the Party to do things according to his wishes.

In addition, in many of his reports, he vilified some grass-roots Party organizations and leading cadres as "lackeys of the 'Gang of Four'" while exposing unhealthy tendencies. As a result, a number of fine people suffered from this injustice and many of them complained to the Party Central Committee, demanding that judicial organs punish him as

a slanderer according to law. In order to educate and redeem Liu, the Party Central Committee spent a lot of time trying to persuade the people, and at the same time, criticized him for his mistakes on many occasions. But, Liu Binyan refused to accept the criticisms. On the contrary, he went further to attack the Party's leadership and socialist system. Liu Binyan has totally lost the qualifications necessary for Party membership. The Party had to expel him according to the Party Constitution.

To expel Liu Binyan from the Party does not mean treating him as an enemy, He Jingzhi said. Liu Binyan is still a writer and at his post as vice-chairman of the Chinese Writers' Association. On this question views also vary at home, He said. Some people say, the constitution of the Chinese Writers' Association stipulates that the members of the association must follow the Party's leadership. Liu Binyan refused to accept the leadership of the Party, why is he still allowed to hold the post as vice-chairman of the writers' association, they ask. Some leaders of the Party Central Committee have spent a great deal

of time convincing people holding this opinion, asking them to evaluate Liu Binyan for all his achievements and errors and give him a chance to correct his mistakes. Liu Binyan is not an enemy and his problem is contradiction among the people.

He said that the Party still places high hopes on Liu Binyan and expects him to work hard and correct his mistakes, so that he will continue to enjoy the confidence of the people when the Chinese Writers' Association holds elections next time.

When asked to comment on the errors of Liu Xinwu, former editor-in-chief of the *Literary Journal* (People's Literature), He Jingzhi said, the nature of Liu Xinwu's mistake was quite different from that of Liu Binyan. Liu Xinwu was temporarily suspended from his post because he agreed to the publication in his magazine of a novel vilifying the Tibetan people, causing great indignation among the people, especially Tibetans, who asked that he be relieved from his post and punished. After patient persuasion the relevant leaders made the decision to suspend Liu Xinwu from his post and asked him to make a public self-criticism in newspapers. This has won understanding from the Tibetans.

(No. 18, 1987)

A Moslem Street in Beijing

"RENMIN RIBAO"

(People's Daily, Overseas Edition)

Situated in the southwestern part of Beijing, the Niujie Street has Beijing's biggest Moslem community.

At the centre of the street there is a Mosque. Wang Lianzhong, a 86-year-old imam, is leading prayers in the Mosque and several hundreds of devoted believers

wearing white caps are prostrate at a big white carpet.

This Mosque, which is the oldest one in Beijing, was closed during the ten-year "cultural revolution" (1966-76). It was reopened only in 1979 as a place of religious activities after large-scale renovation. Now, five prayers take place there each day, attracting a large number of Moslem believers. The number of pilgrims exceeds 1,000 during the time of the Lesser Bairam.

Seventy percent of the residents in Niujie Street are Hui people. Added with those living in several lanes round Niujie Street, the population of Hui people in the area amounts to more than 12,000.

On the doors of all provisions shops in the street are inscriptions of "Moslem" in Arabic. In the morning, the peddlars from the Hui villages in the suburbs of Beijing roam the street on bicycles selling fresh mutton. Old ladies who are fastidious about instant-boiled mutton come hurrying out of their houses to bargain with the peddlars over fresh sheep's legs.

With an ample supply of goods, there are several beef and mutton stores in Niujie Street. Of which, one is the special supply centre of the City of Beijing, selling the finest beef and mutton. With special supply cards issued by the government, the Hui people can freely choose beef and mutton of any cut they like and the purchasing amount is without limit.

The Niujie Street has two kindergartens, one of them was contributed by Hei Hongku, a Hui businessman from Hong Kong born in Niujie. The lovely babies there sing popular songs with high spirits and the aroma of the stir-fried mutton spills out through the special canteen.

There are also two primary schools and a middle school for Hui children. Schools lay stress on the teaching of the history of the Hui nationality and its heroes. In the Beijing Islam Doctrine College within the Mosque, more than 10 select young people diligently study the Koran every day and they will become imams in the future.

In recent years, the Islamic rites of weddings and funerals have resumed. For instance, some young couples also ask imam to write Islamic marriage contracts for them and receive their congratulatory scripture recitation although they have got

official Chinese marriage certificates.

The funerals are even more strictly in keeping with the Islamic custom of burying the dead in the ground. There is a Moslem undertaker on Niujie Street, who specially cares for dead Moslems by washing their bodies with clear water, wrapping them with white cloth and burying them in the ground. Over the past few years, another few Hui cemeteries have been established close to the Lugou (Marco Polo) Bridge. Even though it is an official policy that all dead people in Beijing are cremated, the dead Moslems are excluded due to the government's special policy towards minority ethnic groups. All old people in Niujie Street express satisfaction with the practice.

However, there are complaints. Shortage of housing is one. Now each household in Niujie Street has bought or is planning to buy a colour television and a refrigerator. More and more people complain that their houses are too old, too simple and too crowded.

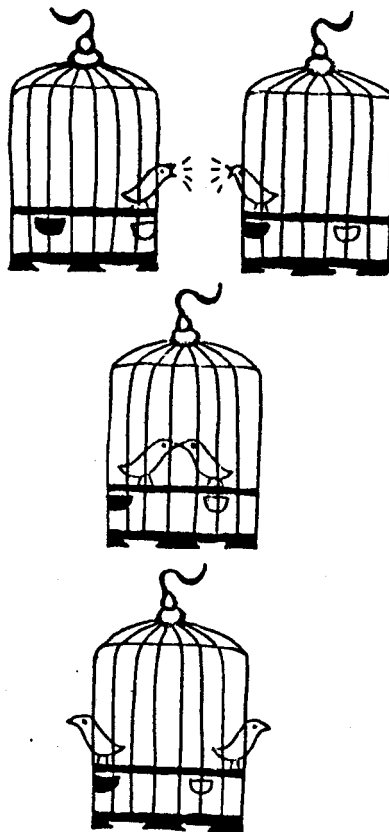
A plan to reconstruct Niujie Street has been placed on the agenda of the municipal government. In the not too distant future, new buildings with Islamic architectural style will rise in Niujie Street.

Last year, more than 2,300 people from 77 countries and regions went to the Mosque or visited Niujie Street. Moreover, Eight Moslems from Niujie went on pilgrimages to Mecca over the past two years.

(March 22, 1987)

Evolution of love.

Cartoon by WANG JU



China-Yugoslavia Trade Keeps Up

A Yugoslav trade exhibition, the third of its kind in Beijing since 1979, will be held at the Beijing International Exhibition Centre May 25-31. It is based on a steady increase in bilateral trade.

According to Zvone Dragan, Yugoslavia's ambassador to China, the 1983 trade value was US\$58 million, in 1985 it was US\$190 million. Last year the planned target of US\$400 million was not reached owing to a shortage of foreign exchange. Thanks to the adoption also of compensatory and barter trade, this year will see a marked increase in the volume of trade between the two sides. By the opening of the exhibition, the two countries have signed US\$200 million worth of contracts out of this year's planned US\$500 million worth.

China and Yugoslavia maintain a balance in their trade. Yugoslavia mainly exports non-ferrous and ferrous metals, chemicals, tourist buses, cars, refrigerators, furniture, telephone exchanges, chicken-raising equipment and processing machines while China exports in the main petroleum, cotton, textile materials, chemicals, raw materials for medicines, leather, non-ferrous minerals, household articles and foodstuffs.

One of the important aspects of

the bilateral relations is co-operation in industrial production. By the end of last year, the two countries signed a total of 61 contracts for industrial co-operation and completed 26 of them. Another 29 contracts were concluded this year, 10 for co-operation in production, 10 offering Yugoslav technology and equipment and other 9 for exporting Chinese technology and production equipment.

So far no joint ventures or co-operative enterprises have been established between the two countries, but the ambassador said the two countries intend to improve economic and trade co-operation further. China is at the moment considering a recent suggestion made by Yugoslavia for scientific and technological co-operation. An airline service between Belgrade and Beijing which resumed on May 1 this year should help the exchanges between the two countries.

The Yugoslav exhibition involves 160 factories and 30 foreign trade organizations. During the exhibition, 23 symposia will be held to discuss problems of barter trade, the possibilities for organizing production in a free trade zone, and economic co-operation.

by Han Baocheng

it will also help the IAA admit new Chinese members, draw more membership dues, improve relevant information exchange between China and other countries, organize academic exchanges, train employees and provide consulting services.

In order to enhance the co-operation between China and other countries, China is organizing a 5-day advertising conference for third world countries, which will begin in Beijing on June 16. The China National Council Asian Federation of Advertising Association will be set up very soon.

by Yao Jianguo

China, FRG Team Up In Technology

The first jointly sponsored Beijing-Essen Welding Exhibition was held in Beijing from May 12 to 18.

On display were the latest welding machines, computer controlled cutting machines and other related equipment from about 100 factories in China, West Germany and some other countries.

During the exhibition, scientists of the two countries discussed welding technology and related equipment, materials, design and quality controls.

This co-operation started in 1984 when the Deutscher Verband fur SchweiBtechnik and the Welding Research Institute under China's Machinery Engineering Association reached an agreement on helping China establish a quality control system and two training centres in Harbin and Daqing in northeast China.

Over the past few years, several hundred welding workers and instructors have been trained, and three of them won the first three places at the national welding competition which was held in

China Joins World Ads Association

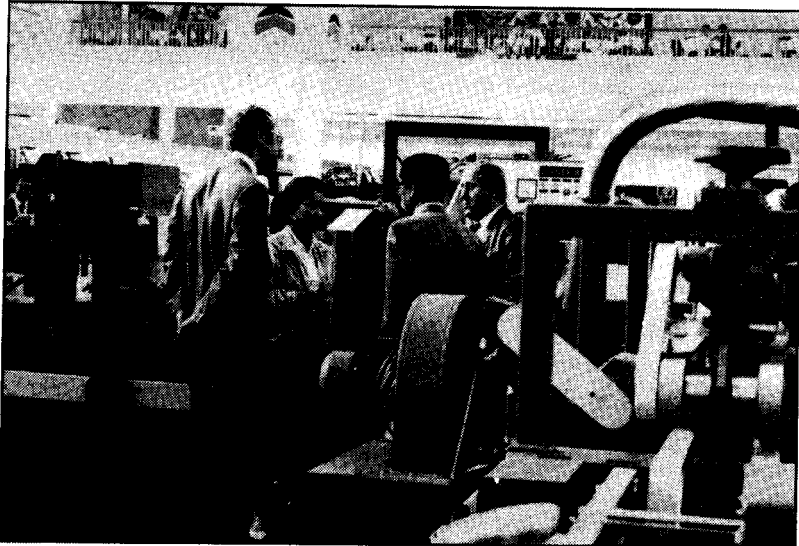
The International Advertising Association (IAA), founded in 1938, has over 70 chapters and 3,000 members.

The China Chapter International Advertising Association (CCIAA) was established in Beijing on May 12. For the first time, 31 Chinese advertisers have become personal members of the IAA.

Tian Shuqian, CCIAA president, said the Chinese advertising industry began in 1979 with just

ten advertising companies. With the implementation of the open policy and the development of commerce, advertising developed rapidly. By late 1986, there were 6,944 advertising units with 81,130 employees producing advertising worth 845 million yuan.

On the one hand, the China Chapter will help strengthen the ties between China and the rest of the world and promote the development of Chinese advertising and trade. On the other hand,



Chinese and German technicians at the Beijing Essen Welding Exhibition. CHEN ZONGLIE

Daqing and attended by 500 people.

Herr Sossenheimer, standing member of the board of directors of the presidium of the German association said that the training centres in Harbin and Daqing would improve Chinese welding, adding that his association would

help establish such centres in other Chinese cities where German engineers would do the training.

At present, plans are being drawn to build Sino-German scientists and technicians exchange centre in Beijing.

by Yao Jianguo

China, US Co-operate In Courier Service

A China-US international courier service began operation this month for a delivery service to 172 countries and regions.

This service is offered jointly by the China Courier Service, which handles all pickups and deliveries within the country, and Airborne Express of the United States which is responsible for express traffic between China and the rest of the world. The domestic mail, which should be delivered within a day between cities in China, is covered by domestic express networks,

while post for abroad will be delivered within two to seven days.

Established in December 1985, the China Courier Service has opened branches and delivery stations in 50 cities including Beijing, Shanghai and Guangzhou. Its business volume in and out of the country last year amounted to 400,000 pieces of mail. The recent installation of computer terminals provided by Airborne Express has linked the company directly with Airborne's worldwide communications network. ■

China Sells Masseurs Abroad

The Xiapu Electronics Plant in Fujian Province has sold 50,000 *Kangle* brand LY-5 electronic masseurs internationally, much

welcomed by overseas Chinese doctors and arousing interest in various business circles.

This year, the plant is expected

to export 10,000 such masseurs mainly to France, the Federal Republic of Germany, Indonesia, Italy, Japan, Pakistan, Singapore, Sweden, Norway and the United States, as well as Hong Kong and Taiwan.

The masseur, a combination of traditional Chinese acupuncture, clinical massage and modern electronic technology, can be used to stimulate acupuncture points to build up the body's resistance to disease. Clinical records in Fujian Province's eight hospitals show that the instrument is very effective in treating backache, cervical and vertebral diseases, toothache and headache.

The plant plans to market two other *Kangle* brand clinical instruments: *Nan-bao* useful mainly in curing common diseases including kidney failure, impotence and premature ejaculation and *Yan-bao* used to prevent myopia.

by Li Rongxia

Trade News in Brief

■ The Netherlands signed a contract with China on May 8 in Beijing for providing a government loan of 24.63 million guilders (or about US\$12.26 million) to China. With the loan, China will purchase equipment for the Beijiao Dairy Products Factory on Beijing's northern outskirts; and equipment for the Mudanjiang Pharmaceutical Factory in Heilongjiang Province. The equipment should be delivered in 8 to 12 months.

■ The Zhoushan Port on the southern tip of Zhoushan Archipelago, Zhejiang Province, opened to foreign ships on May 5. The port boasts 56 berths for 500-ton ships or heavier, including six for 3,000-ton ships and three for 10,000-ton ships. The navigation channels are 17.6 metres deep even at low tide. The port has a working water surface of 82 square kilometres and can accommodate 150,000-ton ships entering and leaving.

Daur Folk Culture Interests Visitors

How do the Daur people in a hunting society live? In what ways do they differ from people in modern society? These are questions that have long interested historians and anthropologists.

A recent exhibition of the ethnic group held in the Cultural Palace of Nationalities drew streams of Beijing visitors. The exhibition displayed more than 200 photographs and 400 artifacts. A TV film shown at the exhibition gave visitors a more lively impression of the Daur's life and culture.

The Daur is an ethnic group of 100,000 people. They live mainly in Hulun Buir League of Inner Mongolia, Heilongjiang Province and Xinjiang Uygur Autonomous Region. They speak the Han, Uygur, Kazakh and Manchu oral languages. However, the Daur has no written language of their own until the Qing Dynasty when they began using Manchu written language. After the 1911 Revolution, which overthrew the Qing Dynasty, they used the Han language, too.

Living in isolation throughout much of their history, the Daur has evolved their own traditional customs.

Most of the Daur clothes on display are fur or leather, which reflect that hunting is their major productive activity. There was a roe deer fur hat with two ears remaining upright. Wearing the hat, one looks as if he himself were growing horns. This acts as camouflage when stalking animals. The fur boots they wear, called *chikami*, are warm and light, enabling them to walk on snow.

In spring, summer and autumn, the Daur women usually dress in a

kind of close-fitting dress with high neck and slit skirt called a *qi pao*. When winter comes, they wear blue cotton robes. Their cloth shoes are embroidered with flower designs. When attending a wedding ceremony or going out to visit their relatives, the Daur women often put on additional silk sleeveless jackets, lined with furs of marten, squirrel or leopard, with a small hand-bag hung on their left shoulder. The colourful ornaments and clothing at the exhibition tell visitors that the Daur has the tradition of wearing ornaments and dressing themselves up. Young women often trim their clothes with beautiful lace, and wear silk flowers and jewellery made of gold, silver, or jade.

Daur thatched-roof cottages are usually built along rivers with their backs against the mountains. The windows open to the south and west so as to let in the most sunlight, and the floor of the store house stands about 80 cm off the ground for ventilation.

Inside the house, there is a living room and a bedroom separated by four elaborately checked and sculptured doors.

One item that captured the interest of many visitors was a Daur baby cradle. It looks like a suspended flat boat—narrow, and about 12 cm in depth, but it inclines gently towards the ground. A baby could sleep inside covered with a small quilt and strapped in by a leather belt. The outside of the cradle is embroidered with designs of butterflies, and Chinese characters such as "happiness" and "longevity." Many chicken leg bones and

pearls hang from the bottom of the cradle producing rhythmic sounds, which lull the baby to sleep.

Visitors also can enjoy the pleasure of a Daur wedding ceremony by watching a TV film. When a Daur boy reaches the marriage age, his parents would ask a matchmaker to make an offer of marriage to the family of a girl. By custom, the matchmaker's overture to a girl's parents serves the same purpose as a signed marriage contract. After the engagement, the boy's family would give the girl's family presents, including horses, oxen, pigs, goats and wine. One month before the wedding ceremony, the future bridegroom should prepare all new clothes and quilts for his bride. The wedding ceremony is usually held in spring time. According to custom, the bridegroom greets his bride at sunrise. This is said to be a good omen for the newly married couple. On the way to greet his bride, the bridegroom is supposed to be very kind and give any passerby a portion of wine, meat or some refreshment to share his jubilation. The wedding ceremony is followed by a horse race with young people from both sides participating. Afterwards, they are treated with a local feast.

The Daur people practise in Shamanism, the belief in nature and in the power of *shamans* to influence them. A small number of Daur believe in Lamaism. In May of every lunar year, many Daur people gather together in front of a pile of earth or stone, offering sacrificial cattle or sheep to the gods of heaven, earth,

mountain and river. They pray the gods for bringing them a good harvest and peaceful life. Usually, hunters offer sacrifices to the god of mountain, while woodsmen and fishermen pray to the god of river. Most *shamans* were women, but men become involved later. They are by no means witches. When the religious rite is performed, believers dress in special clothes and hats and pray to gods, while singing, dancing and striking drums.

When someone dies, the corpse is placed in a coffin that would be buried in a graveyard of the clan. The burial pit is strictly defined, with the older generation buried in the north and the younger generation in the south. Funeral objects are those the dead person used in his or her lifetime, including jewellery, small pans, spoons, bowls, knives, grain and small wooden boats. On the left side of the coffin is a cut-out paper sun, and on the right are designs of moon and other celestial symbols.

The Spring Festival is as important to the Daur people as it is to the Hans. On the eve of every New Year, family members offer sacrifices to their ancestors, and light firecrackers outside their houses. Each room is ablaze with lights. People have parties all night long. On the first day of the New Year, young people put on their holiday best and pay their respects to their elders. All day people wearing beautiful clothes pay new year calls to each other. Steamed cakes are specially prepared for the Spring Festival. Whenever visitors come in, they will be treated with steamed cakes. Celebrating Spring Festival will last to the "Ash Day" that falls on the 16th of the first lunar month. On that day, the Daur daub dark ashes on their faces. It is said that if they don't do so, they will be unlucky in the new year.

In their long years of hard work, the Daur have created their own material and ethnic wealth, enriching the treasures of Chinese

culture.

At the exhibition hall, one can see colourful Daur folk arts and crafts, such as small tobacco bags, belts, hand bags, pillows and shoes, all of them embroidered with patterns of flowers, trees, birds, animals, mountains, rivers, sun and moon.

Among the arts and crafts exhibits are carved wood Buddhas with fine workmanship, birch bark vessels inlaid or carved with various patterns, and a wide variety of papercuts.

A kind of paper-folded figurine, named *hanika*, about 8-10 cm high, is the Daur girls' favourite. Its facial features are vividly presented with a few strokes. Other girls will draw facial features on an egg shell which serves as the head of paper figure. Girls often play games with *hanika*, in which paper figures play different characters, full of local flavour.

The Daur people are fond of singing and dancing. Their dances date back to the ancient hunting age. These traditional dances, often group dances, are called *luvigele*, meaning "flame," and are rich in contents and forms.

When Spring Festival falls, people begin enjoying themselves with dancing. That night, girls usually have their hair combed smoothly, pinned up with beautiful flowers. Young ladies like to wear silk shoes to dance, even women at middle age don the colourful silk clothes which they wore at their marriage ceremony, their hair worn in a high bun decorated with a purple flower.

The Daur dances reflect their daily life—picking up peas, carrying water, washing their faces, looking in a mirror, and combing their hair. Some dance movements imitate actions of birds or animals.

Another favourite recreation for Daur young people is playing *mukulian*, a kind of local mouth organ. It looks simple, fixed with a piece of reed. One plays it by

blowing it with the mouth. The player changes the tune by alternating the sizes of the oral cavity. When night falls, one can hear melodies played by young ladies on the instrument, sitting by windows, or under trees, or near streams. Many young men and women blow *mukulian* to exchange their feelings of love.

The Daur nationality has a great oral folk literature. Many of the stories talk about the origins of human beings, the origin of their clan, and of worshipping nature. One of the stories loved by the Daur is one which describes about the Daur national heroes in their fight against national oppression and feudal ruling class in the latter part of the 19th century.

Wuchun is a kind of narrative poem, popular with the Daur people. It is spoken with rhyme schemes between lines. They depict the life of labour, reflect the sharp contrast between old society and new one, expose the political corruption in old society and give advice to people.

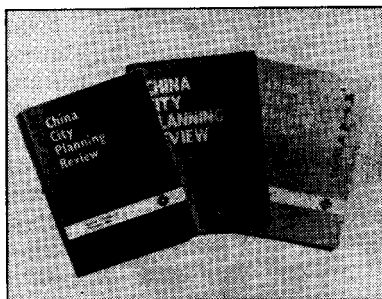
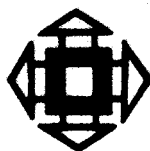
The Daur like sports activities too. The nationality has a long history of playing field hockey. Since the Daur people established its own field hockey team in 1978, the team has taken part in eight national competitions. It won six championships. The current national field hockey team and the youth team have leading players from the Daur team and have visited 10 countries, including Spain, the German Democratic Republic, Japan, India, Singapore and Pakistan.

Now, the Daur nationality culture is in a stage of transition from that of traditional hunting life to feudal civilization, according to experts concerned.

The exhibition not only helps visitors know more about the Daur nationality, but also is valuable in terms of sociology, history, ethnology, folklore, and aesthetics.

by Hong Lanxing

China City Planning Review



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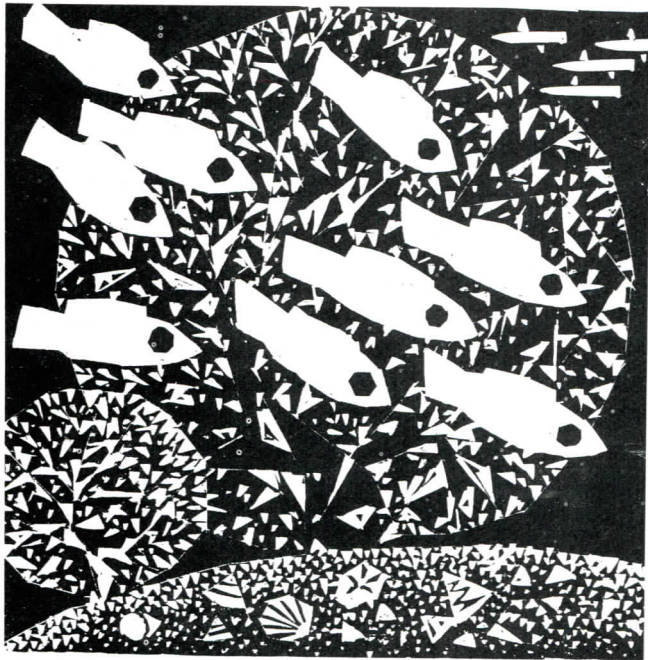
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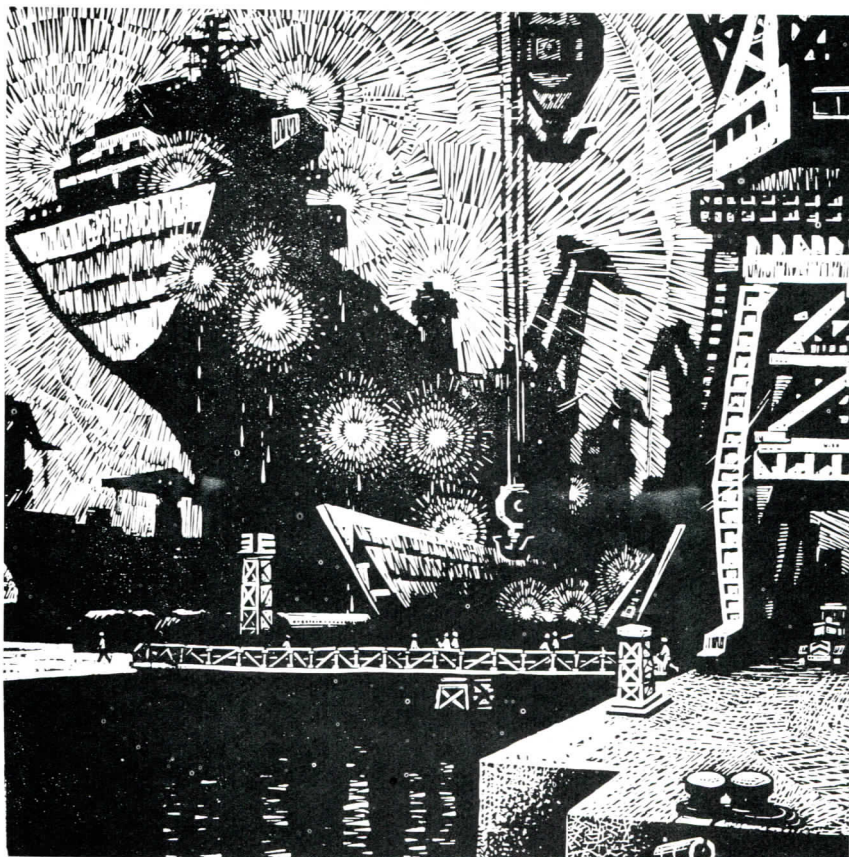
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Prints by Zhang Jiarui

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ART PAGE

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